

WICHITA PUBLIC SCHOOLS



Comprehensive Annual Financial Report



for the year ending June 30, 2011

Wichita, Kansas

2010-2011
www.usd259.org

Comprehensive Annual Financial Report

of the

Wichita Public Schools

Unified School District 259

Wichita, Sedgwick County, Kansas

For the Year Ended June 30, 2011

Prepared by:

Financial Services Department

WICHITA PUBLIC SCHOOLS MISSION STATEMENT

“The mission of the Wichita Public Schools Unified School District 259, where diversity is valued, is to ensure all students learn the skills and acquire the knowledge necessary for success at the continuing stages of their lives.”



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Introductory Section





*John Allison
Superintendent*

December 22, 2011

To the Board of Education and the Citizens of Unified School District No. 259

The Comprehensive Annual Financial Report (CAFR) for the Wichita Public Schools, Unified School District No. 259 (District) for the fiscal year ended June 30, 2011, is submitted herewith. Generally accepted accounting principles require that these financial statements present the District (the primary government) and its component units, if any. A component unit is a separate entity for which the District is financially accountable or the nature and significance of the relationship between the District and entity are such that exclusion would cause the District's financial statements to be misleading or incomplete. The District has determined that it does not have any component units.

The District's financial services department prepared this report. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District's administrative team and, ultimately, with the Board of Education (Board). We believe the data presented in this report is accurate in all material aspects, presents fairly the financial position and results of operations as measured by the financial activity of the various funds, and includes all footnotes and disclosures necessary to gain an understanding of the District's financial activity.

This report conforms to the Governmental Accounting Standards Board financial reporting principles. All disclosures necessary to enable the reader to gain maximum understanding of the District's financial activity have been included. The notes to the financial statements are considered to be an integral part of the financial statements and contain certain information not shown on the face of the financial statements that is required to be disclosed under generally accepted accounting principles. Readers of the financial statements are encouraged to thoroughly review the information contained in the notes in connection with their overall review of the financial statements.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget's Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Information related to this single audit is included in a separately issued single audit report.

This report consists of three major sections:

1. Introductory Section – which contains a Table of Contents, Letter of Transmittal, List of the Board of Education members, the Shared Beliefs/Objectives, the Governmental Finance Officers Association (GFOA) Certificate of Achievement, the Association of School Business Officials (ASBO) Certificate of Excellence, and the District's organizational chart.

2. Financial Section – which begins with the Independent Auditors’ Report and includes Management’s Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the District’s financial position and operating results, the combining statements for nonmajor funds, and other schedules that provide detailed information relative to the Basic Financial Statements.
3. Statistical Section – presents social and economic data, financial trends, and demographic data about the district for the last ten years.

School District General Description

The District is in Sedgwick County located in south central Kansas. The major city within the District is Wichita with a population of more than 380,000, where approximately 97% of the students reside. The District covers more than 152 square miles and serves more than 50,000 students. The District consists of more than 100 schools and other centers.

The District is the largest school district in the State of Kansas (State). The District provides a full range of school programs and services authorized by state statutes. For the 2011 fiscal year, these services include educational programs for grades K-12, Special Education, Title One, pre-kindergarten, vocational education and other educational programs, transportation, nutrition services, health services, support services, and professional development activities for educators. Also, under supervision of the District, individuals and groups may utilize district facilities for community functions.

The District was established on July 1, 1965. A seven-member elected Board of Education (Board) governs the District. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental “reporting entity” as defined by the Governmental Accounting Standards Board. The Board of Education members are elected by the public and have policy setting authority, the ability to significantly influence operations, and primary responsibility for fiscal matters.

Reporting Entity

The District is organized under the laws of the State and as mentioned before, is governed by an elected seven-member board. Accounting principles generally accepted in the United States of America (GAAP) require these financial statements present the District (the primary government) and its component units. There are no component units for which the District is considered to be financially accountable.

Economic Outlook and Conditions

As released by the Center for Economic Development and Business Research at Wichita State University, second quarter 2011 unemployment in the Wichita area dropped from 8.7% to 7.7% from the third quarter of 2010. Nationally, unemployment dropped from 9.5% to 8.9% over the same period.

In 2012, Wichita’s employment is projected to increase 1.3 percent, gaining 3,800 jobs. The production sectors as a whole will gain 945 jobs increasing by 1.4 percent, followed by the trade sectors which are expected to increase 0.5 percent or 240 jobs. The service sectors are expected to increase by 2.1 percent, while the government sector is to remain stable.

Major Initiatives

Important educational initiatives continued or implemented were:

- The Wichita Public Schools have initiated the implementation of a systemic system of prevention and intervention for all learners, through the Kansas Multi-Tiered System of Supports (MTSS). MTSS is a continuum of increasingly intense, researched-based interventions provided to learners that helps them learn by responding to their academic and/or behavioral needs. It includes ongoing monitoring of effectiveness of all instruction provided. The outcome is to ensure that each student in USD 259 achieves to high standards. The district has planned for full system implementation by 2014-2015.

- In spite of decreased state funding (both restricted and unrestricted) in 2010-11, the district continues to support instruction and made cuts as far as possible from the classroom. This includes cuts that will have noticeable impact on district operations, including the following:
 - 22% reduction in central office administrators
 - Elimination of four remaining middle school resource officers
 - Reduction of computer purchases required to support the 5-year technology plan
 - Elimination of the Driver Education program
 - Change start times at eight elementary/pre-k school buildings to save transportation costs
 - Elimination of the Metro Midtown Alternative High School program
 - 50% reduction in employee overtime
 - Reduction of teacher and administrator meeting, conference, & workshop expenses
 - 55% reduction in temporary/relief custodians

- Upgrade and maintain facilities to support and enhance student achievement.

- Design and implement a plan that reduces the burden of desegregation from any one segment of the community.

- With the completion of the second year following the \$370 million bond election, the district has spent \$115 million dollars towards the community-developed facility master plan which includes:
 - add 6 new schools to meet current and projected student population growth
 - add new classrooms
 - building 60 storm shelter safe rooms
 - upgrading technical education
 - renovating or rebuilding physical education, athletic and fine art facilities

Financial Information, Management, and Control

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Fund descriptions have been provided where applicable.

Management Responsibility This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. The management of the District is also responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that the assets of the government are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal and state financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected.

Legislation Below is a brief description of the most significant school finance legislation:

1. The spending level of the general fund is set by the State. The formula used by the State to determine individual school district's general fund budgets used \$3,937 per full-time equivalent student plus additional weighting factors. Additional weighting was allowed for the following: vocational students--50%, bilingual students--39.5%, students transported over 2½ miles--14%, and low income students--55.6%. An additional 3.5% weighting was allowed for school districts with enrollments more than 1,622.
2. Since 1992, school districts have not had control over the level of ad valorem taxes levied for their general fund. The State sets the general fund tax levy for all school districts. That levy has varied peaking at 37 mills in 1995, and is currently set at 20 mills. However, the first \$20,000 of a personal residence is exempt from the general fund tax levy.
3. School districts are authorized to create a supplemental general fund which enables school districts to spend above the level dictated by the State for the general fund. The school finance statute limits the supplemental general fund to 31 percent of the general fund. The District's 2010-11 supplemental general fund budget was 29 percent of the FY 2009 general fund as calculated under the "hold harmless" provision implemented to prevent reduction of the supplemental general fund due to legislative cuts both to special education categorical aid and base state aid per pupil used to calculate the district's general fund.
4. The major revenue source for the supplemental general fund is local ad valorem property taxes. However, districts with assessed valuations per pupil below the 81.2 percentile of the State's median qualify for state funding as well. For 2010-11 the supplemental general fund budget for the District was funded 59 percent by ad valorem taxes and 41 percent by state aid.
5. Because a year-end unencumbered cash balance in the general fund becomes a deduction from the following year's state aid, the State authorized the establishment of a contingency reserve fund. As of June 30, 2011 the fund balance of the contingency reserve fund was 4.7% of the general fund budget.

Budgetary Control In developing and evaluating the District's accounting control system, consideration is given to the adequacy of internal accounting controls. Accounting control

comprises the plan of organization and the procedures and records that are concerned with the safeguarding of assets and the reliability of financial records.

State statutes require that budgets be legally adopted for all funds, unless exempted by a specific statute. All legal 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. Encumbrances are commitments 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. Encumbered appropriations are not reappropriated in the ensuing year's budget but are carried forward until liquidated or canceled. Accordingly, the data presented in the budgetary comparison statements differ from the data presented in the financial statements prepared in accordance with GAAP.

The budget is prepared by location and function. Once the Board adopts the budget, budgetary control is maintained through an online accounting system that includes encumbering estimated expenditures prior to the release of purchase orders to vendors. Purchase orders that exceed available budgeted funds are not released until additional appropriations are made. Monthly budget reports showing orders outstanding and funds available are provided to each manager of a specific location, function, or program.

Financial Condition

In accordance with Governmental Accounting Standards Board (GASB) Statement 34, management is responsible for preparing a Management Discussion and Analysis of the District. This discussion follows the Independent Auditors' Report, providing an assessment of District finances for 2011.

Cash Management

State statutes permit investments of idle cash only in certain specified securities, including time deposits, repurchase agreements, the state investment pool, and United States Government obligations. The District attempts to maximize investment earnings on cash temporarily not required for operations. Idle cash from all funds is pooled and invested.

Risk Management

The District has adopted self-insurance plans for workers' compensation, disability, and health and dental. The self-funded plans are internal service funds of the District. Each program is funded by a monthly contribution made by the District for each eligible employee.

The District has also adopted a self-insurance program to provide legal defense and pay claims against the Board when an incident occurs during the course of employment. There is a \$500,000 limitation based on government immunity law.

The financial policies listed below outline a general framework of budgetary goals and objectives regarding the operating budget, debt service, capital expenditures, and financial reporting. These policies include:

Operating Budget Policy

- Current revenues will be sufficient to support current operating expenditures.
- Financial systems will be maintained to monitor expenditures, revenues, and program performance on an ongoing basis.
- The financial services department will estimate annual revenues by an objective, analytical process. The District will not include revenue in the budget that cannot be verified with documentation of its source and amount.
- The District where approved by law, sets fees and user charges at a level that fully supports the total direct and indirect costs of the activity.
- The District will seek to obtain and maintain the Distinguished Budget Presentation Award from the Governmental Financial Officers Association.

Debt Policy

- The District will confine long-term borrowing as required by law.
- The District will not use long-term debt for current operations.
- The District will meet all debt service obligations when due.
- The District will maintain communication with bond rating agencies about its financial condition.
- The District will follow a policy of full disclosure in every financial report and official statement.

Capital Improvement Budget Policy

- The District will develop and administer a multi-year plan for capital improvements and update it annually.
- The District will budget for major capital projects in accordance with the priorities of the Board.
- The District will coordinate development of the capital improvement budget with development of the operating budget. Future operating costs associated with new capital improvement will be projected and included in operating budgets.
- The District will restrict any new or replacement construction to be consistent with state guidelines for school building utilization.
- The District will determine the least costly financing method for all new projects.

Accounting, Auditing, and Financial Reporting Policies

- The accounting system will report financial information, on a basis consistent for state reporting and with GAAP, as established by the GASB.
- Regular monthly and annual financial reports will present a summary of financial activity by fund.
- An independent public accounting firm will be selected by the Board and will perform an annual audit, and will publicly issue their opinion on the District's financial statement.
- The District will seek to obtain and maintain a Certificate of Achievement for Excellence in Financial Reporting from ASBO and GFOA.

State of Kansas Education Funding

The General fund budget per pupil is determined by the legislature and was cut mid-year from \$4,012 to \$3,937, a reduction of 11% or \$496 per pupil since January 2009. The board balanced the FY2011 budget by making reductions that included the elimination of 79 positions district wide.

For the Future

On November 2, 2010, Schools for Fair Funding filed a new lawsuit against the State of Kansas for failing to provide suitable funding for education: as of late 2011, the case is in the discovery phase of the lawsuit and expects a court date sometime in 2012. Jeremy Hill, Director of Center for Economic Development and Business Research shared the 2012 Wichita forecast, the general expectations include:

1. Upper middle and high income households will increase consumption, but the slightest negative news will cause an abrupt decline in purchases.
2. Wichita's labor market will continue to heal, but it will remain fragmented with a portion of the labor market underemployed in 2012.
3. Employment is expected to increase by 1.3% (3,800) in 2012. This is a welcomed relief, but minimal growth.

Independent Audit

The District is required under state law to have an annual audit of the books of accounts, financial records, and transactions by an independent certified public accounting firm. This requirement has been complied with, and the auditors' report is presented in the financial section of this report. The auditors' report related specifically to the single audit of federal financial assistance programs is available by separate cover.

Awards

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its' Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2010. This certificate of achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. The same CAFR also earned the ASBO Certificate of Excellence Award. Both certificates are awarded only to governmental units, which publish an easily readable and efficiently organized CAFR. Such a CAFR must comply with both generally accepted accounting principles and applicable legal requirements.

Both a Certificate of Achievement and a Certificate of Excellence are valid for a period of one year only. We believe our current report continues to conform to the requirements of both certificate programs, and we will again submit it for recognition.

Introductory Section


Acknowledgments

The timely preparation of this CAFR could not have been completed without the dedicated efforts of the financial services department. We would like to express our gratitude to everyone who assisted in its preparation. We also extend our appreciation to our independent auditors, Allen, Gibbs & Houlik, L.C., for their assistance and the professional manner in which the audit was accomplished. We also commend the Board for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,



John Allison
Superintendent of Schools



Linda Jones
Chief Financial Officer

Shared Beliefs

- Successful public education is a community partnership.
- Public education is essential for the improvement of society and democracy.
- Everyone has worth and dignity and is treated with respect.
- We profit from diversity.
- Everyone can and will learn.
- It is worth the effort to ensure everyone learns.
- High expectations are essential for success.
- Families provide an essential foundation for learning.
- All families want their children to be successful.
- Learning is a life-long process.
- Everyone is entitled to a safe, supportive and nurturing learning environment.
- Every student is entitled to equitable opportunities, resources and services.
- Belonging is a key to student success.
- Change is inevitable and necessary; our response is intentional.

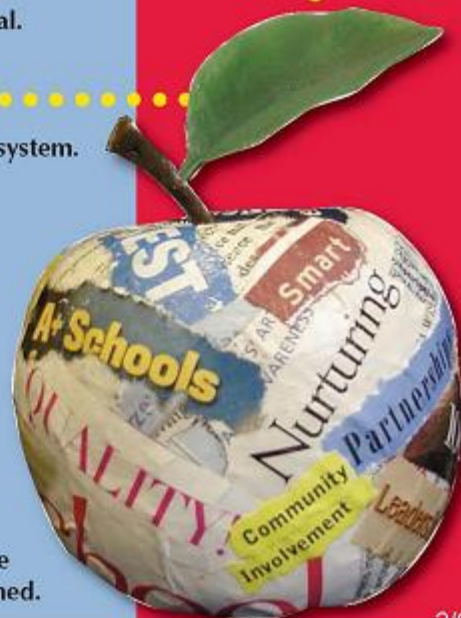
Objectives

- The graduation rate will be 100% using an aligned Pre-K–12 system.
- The 21st century skills and knowledge of all students will continually increase as measured by multiple assessments.
- The academic skill and knowledge gap among the student populations will be continually reduced until eliminated as measured by multiple assessments.
- The social skill and knowledge gap among the student populations will be continually reduced as measured by multiple assessments.
- A coherent, rigorous, safe and nurturing, culturally responsive and inclusive learning community will be fostered and sustained.



The Work of WPS

The work of Wichita Public Schools is to empower all students with the 21st century skills and knowledge necessary for success by providing a coherent, rigorous, safe and nurturing, culturally responsive and inclusive learning community.



2/09


Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to
Unified School District No. 259
Kansas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.




President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Wichita Public Schools for the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010. This was the seventeenth consecutive year that the District has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must comply with both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting to the GFOA to determine its eligibility for another certificate.



This Certificate of Excellence in Financial Reporting is presented to

USD NO. 259, WICHITA PUBLIC SCHOOLS, WICHITA, KANSAS

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2010

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

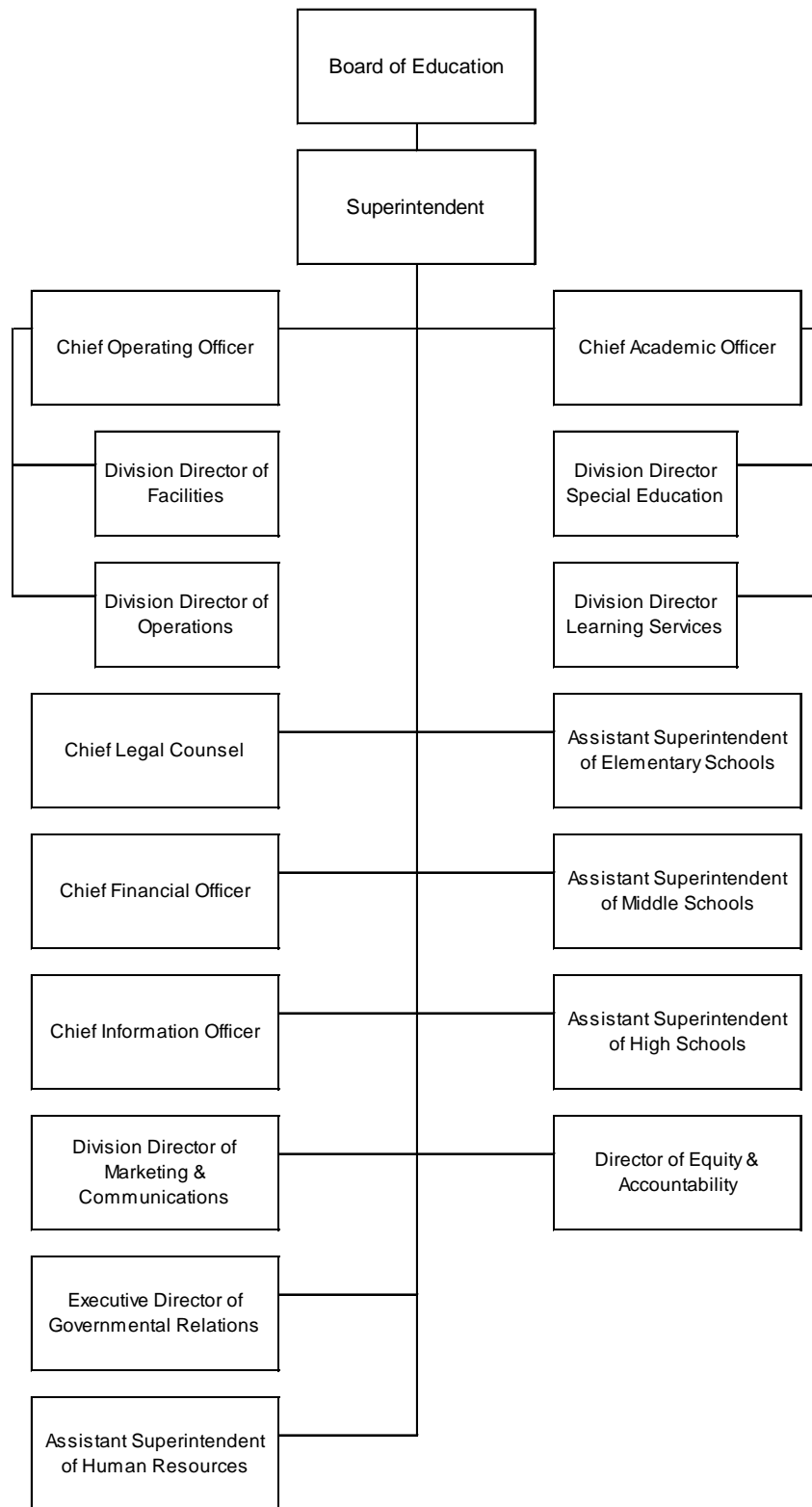
Executive Director

The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Wichita Public Schools for the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010.

The Certificate of Excellence is an award of recognition granted by the Association of School Business Officials of the United States and Canada. The award certifies that the recipient school system has presented its comprehensive annual financial report to the ASBO Panel of Review for critical review and evaluation and that the report was judged to have complied with the principles and practices of financial reporting recognized by ASBO. The Certificate of Excellence is issued for a period of one year.

Receiving the award is recognition that a school system has met the highest standards of excellence in school financial reporting. We believe the current report continues to conform to Certificate of Excellence program requirements, and we are submitting it to the ASBO to determine its eligibility for another certificate.

**WICHITA PUBLIC SCHOOLS
DISTRICT ADMINISTRATION ORGANIZATION CHART**



WICHITA PUBLIC SCHOOLS
District Administration Organizational Chart

District 1
Betty Arnold
5311 Pembroke
Wichita, KS 67220



District 2
Connie Dietz
8310 Greenbriar Lane
Wichita, KS 67226



District 3
Barbara Fuller
6900 E. Zimmerly
Wichita, KS 67207



District 4
Jeff Davis
P.O. Box 13282
Wichita, KS 67213



District 5
Lanora Nolan
1664 Melrose Lane
Wichita, KS 67212



District 6
Lynn W. Rogers
935 Porter Ave
Wichita, KS 67203



At-Large
Kevass Harding
5816 E. 48th Circle N.
Wichita, Kansas 67220



OFFICERS OF THE BOARD

President..... Connie Dietz
Vice President..... Betty Arnold
Treasurer Linda Jones
Clerk of the Board.....Michael Willome

SUPERINTENDENT OF SCHOOLS

John Allison



Financial Section



INDEPENDENT AUDITORS' REPORT

The Board of Education
Wichita Public Schools
Unified School District No. 259

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Wichita Public Schools Unified School District No. 259 (District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the Kansas Municipal Audit Guide, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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 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 our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Notes I. C. and I.D. to the financial statements, on July 1, 2010, the District changed its method of accounting to adopt Government Accounting Standards Board Statement No. 54: Fund Balance Reporting and Governmental Fund Type Definitions.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2011 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and required supplementary information listed in the table of contents are presented for additional analysis and are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The information in the introductory and statistical sections has not been subjected to the procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

December 22, 2011
Wichita, Kansas

Management's Discussion and Analysis

It is a privilege to present to you the financial picture of the Wichita Public Schools Unified District 259 (District). This discussion and analysis of the District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's financial performance.

The Management Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

The District's General fund base state aid was reduced mid-year by \$75 per student. The 2010-2011 state aid, as calculated by the school finance formula, was further reduced by \$5.6 million of Federal Ed Jobs funds. The board of education was able to balance the budget by making budget reductions which included cutting 78 positions.

Because of the continued reductions in base state aid, the Kansas legislature implemented a hold harmless provision in 2009 that allowed Kansas school districts the ability to adopt a LOB budget based on 2008-09 state aid.

The presentation of our fund balance has changed due to the District implementing GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This statement is intended to improve the usefulness of information provided to financial report users about fund balance by providing clearer, more structured fund balance classifications, and by clarifying the definitions of existing governmental fund types. GASB 54 establishes a hierarchy of fund balance classifications based primarily on the extent to which a government is bound to observe spending constraints imposed upon how resources reported in governmental funds may be used.

Overview of the Financial Statements

This annual report consists of the three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- ✓ The first two statements are *government-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- ✓ The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the government-wide statements.

- ✓ The *governmental funds statements* tell how basic services such as regular and special education were financed in the *short term* as well as what remains for the future spending.
- ✓ The *proprietary funds statements* provide information on internal service activities which management multiple types of risk for the District.
- ✓ *Fiduciary funds statements* provide information about the financial relationships in which the District acts solely as a *trustee* or *agent* for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's *net assets* and how they have changed. Net assets – the difference between the District's assets and liabilities – are one way to measure the District's financial health or *position*.

- ✓ Over time, increases or decreases in the District's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- ✓ To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements, the District's activities are divided into two categories:

- ✓ *Governmental activities*: All of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state aid finance most of these activities.
- ✓ *Business-type activities*: The District does not have any business-type activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the district uses to keep track of specific sources of funding and spending on particular programs:

- ✓ Some funds are required by state law and by bond covenants.
- ✓ The District establishes other funds to control and manage money for particular purposes (such as repaying long-term debts) or to show proper use of restricted revenues (such as federal grants).

The District has three kinds of funds:

- ✓ *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets, that can readily be converted to cash, flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, reconciliations have been provided with the governmental funds statements to explain the relationship (or differences) between them.
- ✓ *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements. The District internal service funds report activities that provide supplies and services for its other programs and activities. The District currently has four internal service funds, the workers' compensation fund, the disability fund, the health fund, and the risk management fund.
- ✓ *Fiduciary funds*: The District is the trustee, or *fiduciary*, for assets that belong to others, such as the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

The District as a Whole

The district's total net assets at June 30, 2010 and 2011, respectively, were \$328,649,111 and \$354,493,310.

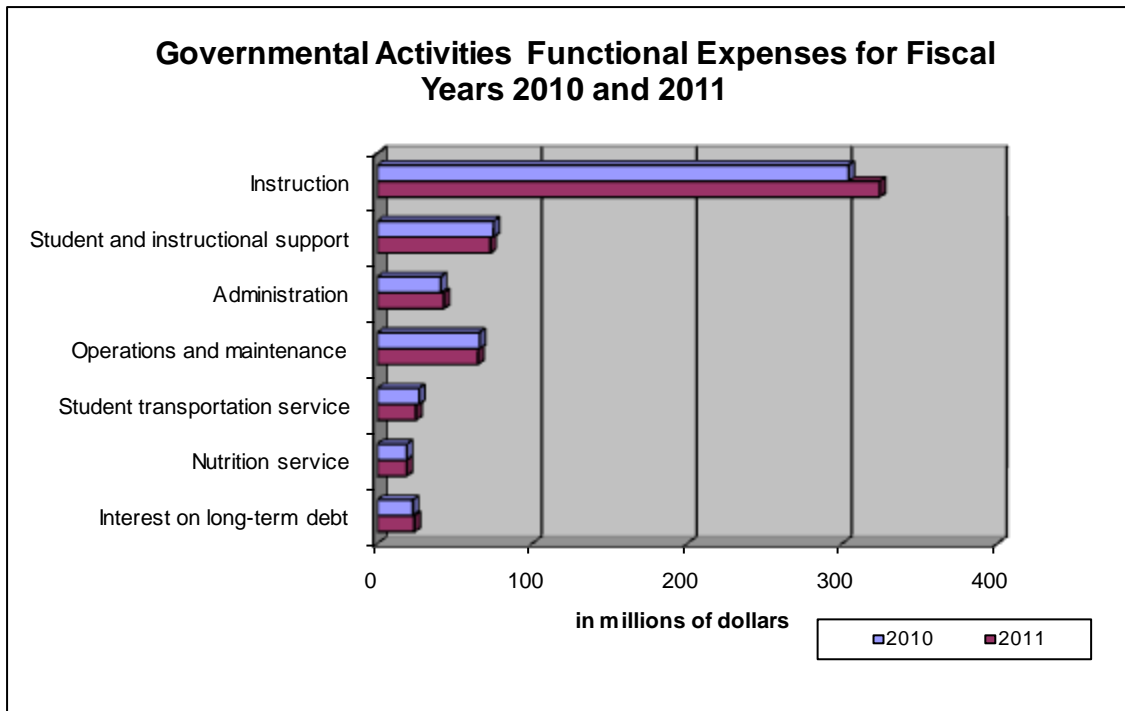
Table 1
As of June 30
Governmental Activities
Net Assets

	2010	2011	Change increase(decrease)
Assets			
Current and Other Assets	\$614,489,688	\$495,443,068	(\$119,046,620)
Capital Assets	419,342,965	523,215,454	103,872,489
Total Assets	<u>\$1,033,832,653</u>	<u>\$1,018,658,522</u>	<u>(\$15,174,131)</u>
Liabilities			
Current and Other Liabilities	\$38,117,530	\$53,247,319	\$15,129,789
Long-Term Liabilities:			
Due Within One Year	56,479,025	82,053,188	25,574,163
Due in More than One Year	610,586,987	528,864,705	(81,722,282)
Total Liabilities	<u>\$705,183,542</u>	<u>\$664,165,212</u>	<u>(\$41,018,330)</u>
Net Assets			
Invested in Capital Assets Net of Related Debt	\$217,714,525	\$243,866,697	\$26,152,172
Restricted:			
Instruction and support services	15,697,614	15,930,095	232,481
Capital Projects	42,982,926	39,494,516	(3,488,410)
Debt Service	23,372,779	20,876,849	(2,495,930)
Self-insurance claims	43,074,689	37,992,028	(5,082,661)
Special Education	3,555,567	3,370,405	(185,162)
Nutrition Services	9,407,307	10,284,378	877,071
Federal and State Grant Programs	2,288,903	1,823,584	(465,319)
Unrestricted	<u>(29,445,199)</u>	<u>(19,145,242)</u>	10,299,957
Total Net Assets	<u><u>\$328,649,111</u></u>	<u><u>\$354,493,310</u></u>	<u><u>\$25,844,199</u></u>

- The district's current and other assets decrease and capital assets increase primarily due to the completion of various construction projects related to the 2008 community approved \$370 million bond issue.
- The total assets decrease is primarily due to the funding of the Early Retirement Incentive Plan Trust which is now reflected in the fiduciary fund statement.
- The district's increase in long-term liabilities due within one year is primarily due to the district's exercise of a September 1, 2011 call of \$37,790,000 in Series 2001 bonds through a crossover refunding.

- The decrease in long-term liabilities due in more than one year is primarily due to the calling of Series 2000 and Series 2001 bonds through crossover refundings as of September 1, 2010 and 2011, respectively.
- The increase to current liabilities is due to an increase in accounts payable due to construction projects.
- The decrease in net assets restricted for capital projects is due to construction projects related to the district’s capital improvement program.
- The debt service was reduced by the June 2011 refunding of \$16,995,000 of Series 2001 bonds and advance refunding of \$12,235,000 of Series 2000 bonds.
- The decrease in net assets restricted for self-insurance claims and the increase in unrestricted is due to the creation of a \$10 million irrevocable trust to partially fund Other Post Employment Benefits. Trust assets are reflected in the Fiduciary Funds statements.

The results of this year’s operations as a whole are reported in the Statement of Activities on page 28. All expenses are reported first. Specific charges, grants, revenues and subsidies that directly relate to specific expense categories are represented to determine the final amount of the District’s activities that are supported by other general revenues. The two largest general revenues are the state aid provided by the State, and the local taxes assessed to community taxpayers.



- Increases in instructional expenses were primarily due to increased, mandated services to high-cost, low income and non-English speaking students, as well as, growing early retirement costs due to an aging workforce and classroom technological upgrades funded from contingency funds.

Financial Section

- Decreases in student and instructional support, as well as, operations and maintenance were a result of reductions in state aid per pupil.
- Student transportation decreased due to efficiencies in the transportation of special education students.
- Significant increases in the KPERS state retirement matching and other retiree benefits increased costs in most functional areas.

Table 2 takes the information from the Statement of Activities and rearranges it slightly, so you can see total revenues for the year.

	2010	2011	Change increase(decrease)
Revenues			
Program Revenues:			
Charges for Services	\$5,890,320	\$5,173,836	(\$716,484)
Operating Grants and Contributions	261,912,962	270,853,079	8,940,117
Capital Grants and Contributions	-	-	-
General Revenue:			
Property Taxes	149,855,266	148,191,597	(1,663,669)
State and federal aid not restricted to specific purpose	158,961,172	168,080,171	9,118,999
Other	5,453,982	6,866,523	1,412,541
Total Revenues	\$582,073,702	\$599,165,206	\$17,091,504
Program Expenses			
Instruction	\$304,175,635	\$324,059,324	\$19,883,689
Student and instructional support	75,254,586	72,600,464	(2,654,122)
Administration	41,377,798	42,705,447	1,327,649
Operations and maintenance	66,482,872	65,617,612	(865,260)
Student transportation service	26,574,028	25,302,589	(1,271,439)
Nutrition services	19,199,980	18,782,975	(417,005)
Interest on long-term debt	22,752,909	24,252,596	1,499,687
Total Expenses	\$555,817,808	\$573,321,007	\$17,503,199
Increase in Net Assets	\$26,255,894	\$25,844,199	(\$411,695)
Net assets-beginning	\$302,393,217	\$328,649,111	\$26,255,894
Net assets-ending	\$328,649,111	\$354,493,310	\$25,844,199

- Increase in operating grants and contributions is primarily due to the restricted revenues for high-cost low income, at-risk, special education, and non-English speaking student funding. The district has significantly increased in the number of students served through these programs.

- Other revenues primarily increased due to transactions related to bond and capital projects.

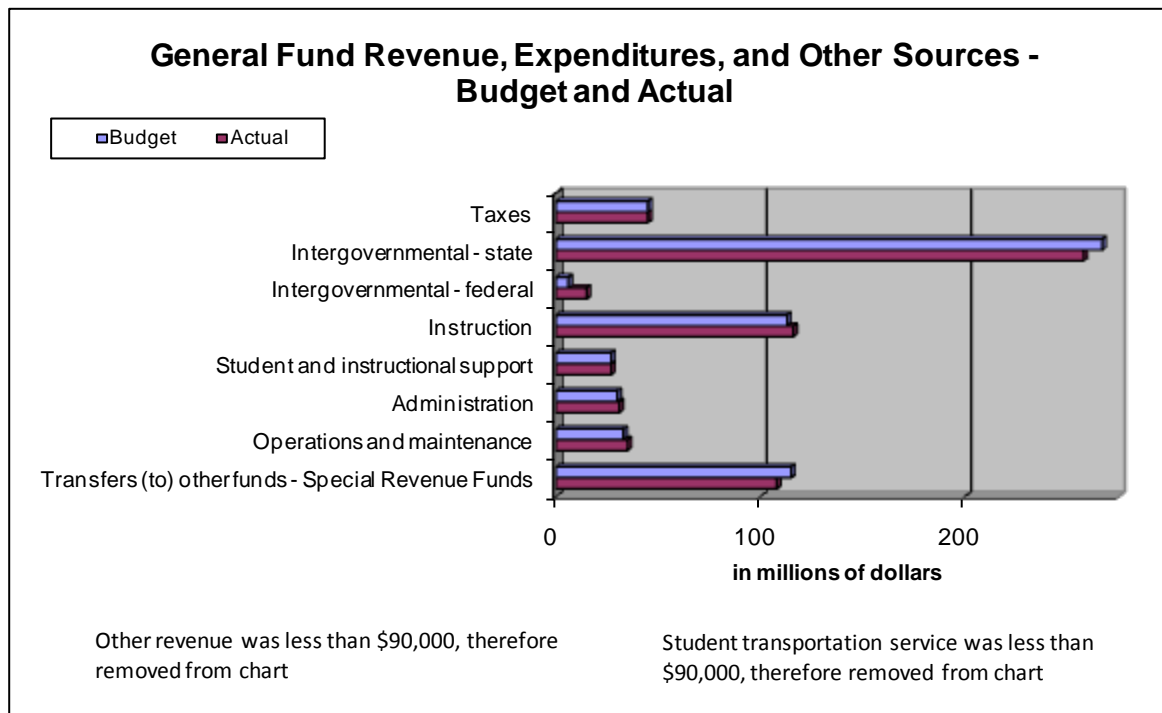
The School District’s Funds

At June 30, 2011, the District governmental funds reported a combined fund balance of \$394,799,503, which is a decrease of \$131 million from 2010. This decrease is primarily due to completion of bond projects now reflected as capital assets.

General Fund Budgeting Highlights

The District’s budget is prepared according to State statutes and uses the statutory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances. The most significant budgeted fund is the General Fund.

Kansas Statutes permit transferring budgeted amounts from one object or purpose to another within the same fund; however, such statutes prohibit creating expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Management may amend the amount of a specific object or purpose appropriation without obtaining authorization from the Board providing the amendments or transfers do not create a total budgeted expenditure amount for a specific fund in excess of the amount originally adopted by the Board.



State revenues fell below budget due to mid-year cuts and state use of Federal Ed Jobs funds in lieu of state aid in FY2011. The increased special education state aid awarded to the district near the end of the fiscal year was transferred to the Special Education fund for use in the subsequent fiscal year which contributed to the excess transfers to special revenue funds reflected above.

Instruction, student support, instructional support, and administrative expenditures exceeded budget due to the district's partial funding of the early retirement obligation.

The District's ending unobligated cash balance in the general fund was \$214,684 above the final budgeted amount due to cancellation of purchase orders carried over from prior fiscal years.

Supplemental General Fund

The supplemental general fund, also known as the local option budget (LOB), was created in 1992, when the state made significant changes in the funding of education. By statute, the LOB is limited to 31 percent of the general fund budget. Because of state revenue shortfalls, the 2009 legislature approved a hold harmless provision whereby Kansas districts may adopt a LOB based on the 2008-09 base state aid figure of \$4,433. For the 2010-11 year, the district's final LOB budget was 29 percent of the General budget as calculated using the hold harmless provision.

Special Education Fund

Special education expenditures decreased by \$3.4 million in fiscal year ending June 30, 2011, primarily due to reduced transportation costs due to increased efficiencies and reduced labor costs due to retirements.

State Intervention Fund (K-12)

The funds generated for this fund are based on our students who qualify for free lunches. Due to the economy, that number has increased annually. The students served with these funds are considered at-risk and need additional instructional services, such as reducing the achievement gap. Expenditures are down due to the closing of the Metro Midtown alternative high school. This closing was a result of cuts to base state aid.

Bond Capital Projects

Voters approved a bond issue in the amount of \$370 million on November 4, 2008, to:

- add 6 new schools to meet current and projected student population growth
- add 275 new classrooms to reduce class sizes and support the end of busing for desegregation
- build 60 storm shelter safe rooms
- upgrade technical education
- renovate or rebuild physical education, athletic and fine art facilities

Capital Outlay fund

The district has authority to levy up to 7 mills through FY2015. The capital outlay fund is used for the purpose of acquisition, construction, repair, remodeling, additions to, furnishing, and equipment needs of the district. Increases in expenditures are a result of spending down reserves previously accumulated for the purpose of supplementing bond construction.

Capital Assets and Debt Administration

Capital Assets

At the end of the fiscal 2010 and 2011 years, the district had \$419,342,965 and \$523,215,454, respectively invested in land, buildings and equipment. The increase in land and improvements was attributable to land purchases and construction relative to the November 2008 bond election. The increases in land, construction in progress, and buildings and improvements was primarily attributable to construction projects authorized by the 2008 bond election. The mill levy increased by 3.5 mills in late 2009 to fund the 2008 bond election resulting in increased tax revenues beginning in 2010.

Table 4
Governmental Activities
Capital assets - net of depreciation

	2010	2011	Change increase(decrease)
Land and improvements	\$31,937,102	\$36,709,451	\$4,772,349
Construction in progress	12,825,622	94,048,222	81,222,600
Buildings and improvements	363,981,904	381,320,362	17,338,458
Machinery and equipment	10,598,337	11,137,419	539,082
Total capital assets - net of depreciation	\$419,342,965	\$523,215,454	\$103,872,489

Debt

This fund is used to make principal and interest payments on the long-term debt obligations of the district authorized by the 2000 and 2008 bond elections. In 2004 and 2005, the district issued crossover refunding bonds in the total amount of \$68.5 million to advance refund \$33,085,000 million in bonds from the Series 2000 and \$37,780,000 from the Series 2001 bonds called on September 1, 2010 and 2011, respectively. Additionally, \$39,960,000 of bonds were issued in FY11 to refund and advance refund Series 2000, 2001, and 2002 bonds totaling \$43,095,000.

At June 30, 2011, the District had \$514,270,000 in bonds and notes outstanding. Of the bonds due within one year, \$37,790,000 will be retired on September 1, 2011 through the Series 2005 Crossover refunding. Table 5 summarizes bonds and notes outstanding.

Table 5
Governmental Activities
Outstanding Debt, at Year End

	2010	2011	Change increase(decrease)
Government Obligation Bonds	\$570,600,000	\$514,270,000	(\$56,330,000)
	\$570,600,000	\$514,270,000	(\$56,330,000)

In November 2008 the voters approved \$370 million in bond improvements of which \$350 million were issued by the end of FY2010. An additional \$50 million in bonding authority from the 2008 election remains but is not expected to be sold for at least another year.

At June 30, 2011, the overall legal debt margin was \$181,730,841. See page 110 in the Statistical Section for additional details on the District's legal debt margin. The District maintains an Aa2 and AA Moody's and Standard and Poor's financial ratings, respectively.

In April 2000 the voters approved a 284.5 million bond issue of which all bonds have been sold and all construction completed. For more information on the districts capital assets and debt administration please refer to the footnotes. (See notes 1D4, 1D6, IIIB and IIIC).

The Wichita Public School District has committed itself to financial excellence for many years. The District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1993 and from the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting since 1993.

Contacting the School District's Financial Management

Budgeting Web Page: <http://www.usd259.org/districtoffices/finance>

Contact Budgeting by E-mail: budgetoffice@usd259.net

Write the Budgeting Office:

Unified School District #259
Attention: Ronda Goode
201 N Water
Suite 603
Wichita, KS 67202

Contact Budgeting by Phone:

Linda Jones, Chief Financial Officer (316) 973-4529
Ronda Goode, Budgeting Director (316) 973-4528
Fax: Attention: Ronda Goode (316) 973-4634



Basic Financial Statements

**Wichita Public Schools
Unified School District No. 259
Statement of Net Assets
June 30, 2011**

	<u>Governmental Activities</u>
Assets	
Cash, cash equivalents and investments	\$ 198,984,059
Restricted cash, cash equivalents and investments	259,545,681
Receivables:	
State aid	29,895,688
Interest	55,243
Intergovernmental	2,320,270
Inventory	2,133,362
Cost of issuance	2,508,765
Capital assets:	
Land and construction in progress	112,908,988
Other capital assets, net of depreciation	410,306,466
Total assets	<u>1,018,658,522</u>
Liabilities	
Accounts payable	22,021,109
Accrued payroll	22,838,783
Interest payable	6,467,539
Unearned revenue	1,919,888
Long-term liabilities, including claims payable	
Due within one year	82,053,188
Due in more than one year	528,864,705
Total liabilities	<u>664,165,212</u>
Net Assets	
Invested in capital assets, net of related debt	243,866,697
Restricted for:	
Instruction and support services	15,930,095
Facilities and capital projects	39,494,516
Debt service	20,876,849
Self-insurance claims	37,992,028
Special education	3,370,405
Nutrition service	10,284,378
Federal and state grant programs	1,823,584
Unrestricted	(19,145,242)
Total net assets	<u>\$ 354,493,310</u>

The accompanying notes are an integral part of the basic financial statements.

**Wichita Public Schools
Unified School District No. 259
Statement of Activities
For the Year Ended June 30, 2011**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 324,059,324	\$ 1,964,420	\$ 177,440,012	\$ -	\$ (144,654,892)
Student and instructional support	72,600,464	82,619	33,102,968	-	(39,414,877)
Administration	42,705,447	-	6,004,507	-	(36,700,940)
Operations and maintenance	65,617,612	-	4,469,087	-	(61,148,525)
Student transportation service	25,302,589	-	24,437,703	-	(864,886)
Nutrition services	18,782,975	3,126,797	17,195,020	-	1,538,842
Interest on long-term debt	24,252,596	-	8,203,782	-	(16,048,814)
Total primary government	\$ 573,321,007	\$ 5,173,836	\$ 270,853,079	\$ -	(297,294,092)
General revenues:					
Property taxes levied for:					
General purposes					102,754,794
Debt service					25,678,590
Capital outlay					19,758,213
State and federal aid not restricted to specific purposes					168,080,171
Earnings on investments					2,598,057
Miscellaneous					4,268,466
Total general revenues and special items					323,138,291
Change in net assets					25,844,199
Net assets-beginning					328,649,111
Net assets-ending					\$ 354,493,310

The accompanying notes are an integral part of the basic financial statements.

**Wichita Public Schools
Unified School District No. 259
Balance Sheet
Governmental Funds
June 30, 2011**

	General	Special Education	State Intervention (K-12)	Bond Capital Projects	Capital Outlay	Bond and Interest	Other Governmental Funds	Total Governmental Funds
Assets:								
Cash, cash equivalents and investments	\$ 18,431,330	\$ 20,808,962	\$ 9,257,815	\$ -	\$ 42,342,392	\$ 26,158,508	\$ 31,686,549	\$ 148,685,556
Restricted cash, cash equivalents and investments	-	-	-	221,561,521	-	37,984,160	-	259,545,681
Intergovernmental receivables	127,450	22,725	-	-	-	-	984,216	1,134,391
State aid receivable	29,645,442	-	-	-	-	-	250,246	29,895,688
Interest receivable	-	-	-	49,150	6,093	-	-	55,243
Inventory	1,304,348	-	-	-	-	-	829,014	2,133,362
Total Assets	\$ 49,508,570	\$ 20,831,687	\$ 9,257,815	\$ 221,610,671	\$ 42,348,485	\$ 64,142,668	\$ 33,750,025	\$ 441,449,921
Liabilities and Fund Balances:								
Liabilities:								
Accounts payable	\$ 1,999,003	\$ 2,550,859	\$ 109,072	\$ 13,268,757	\$ 3,488,031	\$ -	\$ 528,066	\$ 21,943,788
Accrued payroll	11,229,950	4,058,467	4,664,466	-	113,368	-	2,720,491	22,786,742
Deferred revenue	833,552	-	-	-	-	-	1,086,336	1,919,888
Total Liabilities	14,062,505	6,609,326	4,773,538	13,268,757	3,601,399	-	4,334,893	46,650,418
Fund Balances:								
Nonspendable	1,304,348	-	-	-	-	-	829,014	2,133,362
Restricted	1,864,289	14,222,361	4,484,277	208,341,914	38,747,086	64,142,668	28,586,118	360,388,713
Assigned	15,440,778	-	-	-	-	-	-	15,440,778
Unassigned	16,836,650	-	-	-	-	-	-	16,836,650
Total fund balances	35,446,065	14,222,361	4,484,277	208,341,914	38,747,086	64,142,668	29,415,132	394,799,503
Total liabilities and fund balances	\$ 49,508,570	\$ 20,831,687	\$ 9,257,815	\$ 221,610,671	\$ 42,348,485	\$ 64,142,668	\$ 33,750,025	\$ 441,449,921

The accompanying notes are an integral part of the basic financial statements.

**Wichita Public Schools
Unified School District No. 259
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets
June 30, 2011**

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balance -- governmental funds		\$ 394,799,503
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost	\$ 765,391,910	
Accumulated Depreciation	<u>(242,176,456)</u>	523,215,454
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
General Obligation Bonds Payable	(514,270,000)	
Premium on Bonds Payable	(13,009,109)	
Discount on Bonds Payable	24,033	
Deferred Refunding on Bonds Payable.	1,580,246	
Accrued Interest Payable on the Bonds	(6,467,539)	
Special Assessments	(100,308)	
Early Retirement Program	(58,286,273)	
Compensated Absences	(11,319,000)	
Other Post Employment Obligations	(1,489,869)	
Environmental Liability	<u>(1,870,500)</u>	(605,208,319)
Interest expense subsidy receivable is not considered available to liquidate liabilities of the current period and so is not recorded in the funds. It is recorded as revenue in the entity-wide statements.		
		1,185,879
Cost of issuing debt is not a financial resource and, therefore, is not reported in the funds		
		2,508,765
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net assets.		
		<u>37,992,028</u>
Total net assets -- governmental activities		<u>\$ 354,493,310</u>

The accompanying notes are an integral part of the basic financial statements.

Financial Section

**Wichita Public Schools
Unified School District No. 259
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2011**

	General	Special Education	State Intervention (K-12)	Bond Capital Projects	Capital Outlay	Bond and Interest	Other Governmental Funds	Total Governmental Funds
Revenues:								
Taxes	\$ 102,748,293	\$ -	\$ -	\$ -	\$ 19,758,213	\$ 25,678,590	\$ 6,501	\$ 148,191,597
Intergovernmental - State	174,829,721	38,145,500	69,893,955	-	-	9,885,746	41,388,285	334,143,207
Intergovernmental - Federal	15,431,378	22,907,097	-	-	5,702,905	-	55,207,036	99,248,416
Interest expense subsidy - Federal	-	-	-	-	-	4,888,103	-	4,888,103
Charges for services	336,117	-	58,413	-	-	-	4,779,458	5,173,988
Earnings on investments	1,504	-	-	941,417	154,516	1,398,406	15,876	2,511,719
Other	2,884,510	27,739	-	661,569	635,431	-	59,067	4,268,316
Contributions	652,623	-	-	-	-	-	900	653,523
Total revenues	296,884,146	61,080,336	69,952,368	1,602,986	26,251,065	41,850,845	101,457,123	599,078,869
Expenditures:								
Current:								
Instruction	118,925,249	56,021,973	66,201,814	-	-	-	60,290,470	301,439,506
Student and instructional support	28,755,273	19,741,685	873,917	-	-	-	22,261,780	71,632,655
Administration	32,356,675	3,502,278	1,281,546	-	-	-	4,740,782	41,881,281
Operations and maintenance	54,999,522	4,708,082	357,981	-	-	-	4,236,715	64,302,300
Student transportation service	15,164,708	9,880,482	9,628	-	-	-	50,426	25,105,244
Nutrition services	5,717	-	-	-	-	-	18,606,536	18,612,253
Sub-total current expenditures	250,207,144	93,854,500	68,724,886	-	-	-	110,186,709	522,973,239
Facility acquisition and construction service	10,000	-	-	96,718,718	30,158,128	329,712	306,108	127,522,666
Debt Service:								
Principal retirement	-	-	-	-	-	20,110,000	-	20,110,000
Interest	-	-	-	-	-	26,852,512	-	26,852,512
Other	-	-	-	-	-	1,075,953	-	1,075,953
Total expenditures	250,217,144	93,854,500	68,724,886	96,718,718	30,158,128	48,368,177	110,492,817	698,534,370
Excess (deficiency) of revenues over (under) expenditures	46,667,002	(32,774,164)	1,227,482	(95,115,732)	(3,907,063)	(6,517,332)	(9,035,694)	(99,455,501)
Other financing sources (uses):								
Refunding bond issuance	-	-	-	-	-	39,960,000	-	39,960,000
Premium on bond issuance	-	-	-	-	-	4,557,196	-	4,557,196
Payment on refunded bonds	-	-	-	-	-	(76,180,000)	-	(76,180,000)
Sale of property	-	-	-	-	268,111	-	-	268,111
Transfers in	-	33,710,071	123,401	-	413,715	-	10,801,195	45,048,382
Transfers out	(45,180,299)	-	-	-	-	-	-	(45,180,299)
Total other financing sources (uses)	(45,180,299)	33,710,071	123,401	-	681,826	(31,662,804)	10,801,195	(31,526,610)
Net change in fund balances	1,486,703	935,907	1,350,883	(95,115,732)	(3,225,237)	(38,180,136)	1,765,501	(130,982,111)
Fund balances at beginning of year	33,833,332	13,286,454	3,133,394	303,457,646	41,972,323	102,322,804	27,700,296	525,706,249
Change in reserve for inventory	126,030	-	-	-	-	-	(50,665)	75,365
Fund balances at end of year	\$ 35,446,065	\$ 14,222,361	\$ 4,484,277	\$ 208,341,914	\$ 38,747,086	\$ 64,142,668	\$ 29,415,132	\$ 394,799,503

The accompanying notes are an integral part of the basic financial statements.

Financial Section

**Wichita Public Schools
Unified School District No. 259
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2011**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances – total governmental funds \$ (130,982,111)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded the amount of assets capitalized in the current period.

Depreciation expense	\$ (18,033,348)	
Capital assets capitalized	123,414,911	105,381,563

In the statement of activities, the loss on impairment of capital assets is reported. (1,282,968)

In the statement of activities, the gain or loss from the sale of capital assets is reported, whereas in the governmental funds, only any proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balances by the cost of capital assets sold. (226,107)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. (39,960,000)

Bond premium proceeds provide current financial resources to governmental funds, but do not increase long-term liabilities in the statement of net assets. (4,557,196)

Deferred refunding on bonds payable decrease the current financial resources to governmental funds but do not decrease long-term liabilities in the statement of net assets. 598,949

The amortization of bond premiums and discounts decrease the long term liabilities in the statement of net assets but do not provide current financial resources to the governmental funds 1,449,628

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
General obligation bonds	20,110,000	
Refunded bonds	76,180,000	
Special assessments	34,871	96,324,871

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 1,437,292

In the statement of activities, certain operating expenses -- compensated absences, early retirement benefits, and arbitrage liabilities -- are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, the following differences were noted:

Arbitrage paid	190,000	
Compensated absences earned exceeded benefits paid	751,000	
Early retirement benefits earned exceeded benefits paid	(5,116,326)	
Environmental liabilities incurred is less than amounts paid	(103,100)	(4,278,426)

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities. (5,082,661)

In the statement of activities, an asset is incurred for the cost of bond issuance, whereas in governmental funds, the cost of bond issuance expenditure is reported when paid. 139,711

In the statement of activities, a liability is accrued for other post employment benefits, whereas in governmental funds, other post employment benefits expenditure is reported when paid. 6,806,289

In the statement of activities, consumption of inventory is reported as an expense, whereas in governmental funds, changes in inventory are adjustments to fund balance. 75,365

Change in net assets of governmental activities **\$ 25,844,199**

The accompanying notes are an integral part of the basic financial statements.

**Wichita Public Schools
Unified School District No. 259
Statement of Net Assets
Proprietary Funds
June 30, 2011**

	Internal Service Funds
Assets:	
Current assets:	
Cash, cash equivalents and investments	\$ 50,298,503
Total current assets	<u>50,298,503</u>
Liabilities:	
Current liabilities:	
Accrued liabilities	77,321
Accrued salaries	52,041
Current portion - claims payable	<u>8,083,900</u>
Total current liabilities	<u>8,213,262</u>
Noncurrent liabilities	
Long-term claims payable	<u>4,093,213</u>
Total liabilities	<u>12,306,475</u>
Net Assets:	
Total net assets restricted for self-insurance claims	<u>\$ 37,992,028</u>

The accompanying notes are an integral part of the basic financial statements.

**Wichita Public Schools
Unified School District No. 259
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2011**

	<u>Internal Service Funds</u>
Operating revenues:	
Charges for services	\$ 54,705,443
Other insurance reimbursements	1,974,066
Total operating revenues	<u>56,679,509</u>
Operating expenses:	
Contractual services	<u>61,980,426</u>
Total operating expenses	<u>61,980,426</u>
Operating income	<u>(5,300,917)</u>
Nonoperating revenues:	
Interest	<u>86,339</u>
Total nonoperating revenues	<u>86,339</u>
Income before transfers	(5,214,578)
Transfers in	<u>131,917</u>
Change in net assets	(5,082,661)
Total net assets-beginning of year	<u>43,074,689</u>
Total net assets-end of year	<u>\$ 37,992,028</u>

The accompanying notes are an integral part of the basic financial statements.

**Wichita Public Schools
Unified School District No. 259
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2011**

	Internal Service Funds
Cash flows from operating activities:	
Cash received from services	\$ 54,705,443
Cash received from insurance companies	1,974,066
Cash payments for claims	<u>(58,127,695)</u>
Net cash flow from operating activities	<u>(1,448,186)</u>
Cash flows from non-capital financing activities:	
Transfers from other funds	<u>131,917</u>
Net cash flow from non-capital financing activities	<u>131,917</u>
Cash flows from investing activities:	
Interest on investments	<u>86,339</u>
Net cash flow from investing activities	<u>86,339</u>
Net change in cash and cash equivalents	(1,229,930)
Cash and cash equivalents-beginning of the year	<u>51,528,433</u>
Cash and cash equivalents-end of the year	<u>\$ 50,298,503</u>
Reconciliation of operating income to net cash flow from operating activities:	
Operating income	\$ (5,300,917)
Adjustments to reconcile operating income to net cash flow from operating activities:	
Change in due from other funds	3,624,108
Change in accrued liabilities	(7,371)
Change in claims payable	<u>235,994</u>
Net cash flow from operating activities	<u>\$ (1,448,186)</u>

The accompanying notes are an integral part of the basic financial statements.

**Wichita Public Schools
Unified School District No. 259
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011**

	Employee Benefit Trust Funds	Agency Funds
Assets:		
Cash and cash equivalents	\$ -	\$ 4,855,957
Investments, at fair value:		
Certificates of deposit	11,000,000	-
Value of interest in pooled funds	12,363,566	-
Total assets	<u>23,363,566</u>	<u>4,855,957</u>
Liabilities:		
Due to others	-	4,855,957
Total liabilities	<u>-</u>	<u>4,855,957</u>
Net Assets:		
Held in trust for other employee benefits	23,363,566	-
Total net assets	<u>\$ 23,363,566</u>	<u>\$ -</u>

The accompanying notes are an integral part of the basic financial statements.

**Wichita Public Schools
Unified School District No. 259
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2011**

	<u>Employee Benefit Trust Funds</u>
Additions:	
Employer contributions	\$ 23,363,566
Total additions	<u>23,363,566</u>
Deductions:	
Benefits and other	-
Total deductions	<u>-</u>
Change in net assets	23,363,566
Net assets - beginning of year	<u>-</u>
Net assets - end of year	<u>\$ 23,363,566</u>

The accompanying notes are an integral part of the basic financial statements.

**WICHITA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 259**

NOTES TO THE FINANCIAL STATEMENTS

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**WICHITA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 259**

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Wichita Public Schools, Unified School District No. 259, (District) is organized under the laws of the State of Kansas (Kansas) and is governed by an elected seven-member board. Accounting principles generally accepted in the United States of America (GAAP) require these financial statements present the District (the primary government) and its component units. There are no component units for which the District is considered to be financially accountable.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements – The statement of net assets and the statement of activities report information on all of the nonfiduciary activities of the primary government.

The effect of interfund activity has been eliminated from these statements unless immaterial.

The statement of net assets presents the financial condition of the governmental activities of the District at year-end. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements – The fund financial statements include separate financial statements that are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

Expenditures in the financial statements are grouped by function. Following are descriptions of the District's functions.

Instruction – Activities dealing directly with the interaction between teachers and students, and contracted instructional services.

Student and Instruction Support – Activities designed to assess, improve the well-being of students, supplement the teaching process, and assist the instructional staff of learning experiences for students. Includes staff in attendance and social work services, substance abuse, guidance, health, psychology, curriculum improvement services, counseling and guidance services, library and media support, speech pathology, and audiology.

Administration – Activities concerned with establishing and administering policy for operating the local education agency. Includes only board of education staff, special education staff, school administration, board secretary/clerk staff, staff relations and negotiation staff, the superintendent's staff, assistant superintendents, area directors, and the superintendent.

Operations and Maintenance – Activities concerned with the paying, transporting, exchanging, maintaining goods and services for the local education agency, and other supplemental services. Includes the Chief of Financial, and business support staffs; includes the staff for supervisors of fiscal services, budgeting, payroll, financial accounting, purchasing, warehousing, printing and duplication staff. Other supporting staffs that support each of the other instructional and supporting services programs include planning, research, development, evaluation, information, and data processing services. Other supplemental services includes operations and maintenance supervisor, operations staff (heating, lighting, ventilation, repairing and replacing facilities and equipment), care and upkeep of grounds and equipment staff, and vehicle operations and maintenance staff and security services staff.

Student Transportation Services – Activities concerned with conveying students to and from school, as provided by State and Federal law. This includes trips between home and school, and trips to and from school activities.

Nutrition Services – Activities concerned with providing food to students and staff in a school or local education agency. This service area includes preparing and serving regular and incidental meals, lunches, or snacks in connection with school activities and food delivery.

Facility Acquisition and Construction Service – Activities concerned with acquiring land and buildings, remodeling buildings, constructing buildings, additions to buildings, initially installing or extending service systems and other built-in equipment, and improving sites.

Debt Service – Servicing the debt of the local education agency, including payments of both principal and interest.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, except for agency funds, which have no measurement focus. All assets and liabilities associated with the operation of the District are included on the statement of net assets. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the budget year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Entitlements and state aid are recorded at the time of receipt or earlier if the susceptible to accrual criteria is met. Expenditure-driven grants are recognized as revenues when the qualifying expenditures have been incurred and all other grant requirements have been met. Other receipts become measurable and available when cash is received by the government and is recognized as revenue at that time.

The District reports the following major governmental funds:

General fund – this is the District's primary operating fund.

Special Education – used to account for programs which deliver educational services to special needs students. The primary revenues supporting this fund are from restricted federal grants and state aid restricted for this purpose.

State Intervention (K-12) – used to account for programs for the District's population by providing educational opportunities and instructional services to assist in closing the achievement gap. The primary revenues supporting this fund are from state aid restricted for this purpose.

Bond Capital Projects – used to account for the acquisition or construction of major capital facilities funded from general obligation bond proceeds.

Capital Outlay – used to account for the acquisition and construction of major capital facilities other than those financed from general obligation bond proceeds.

Bond and Interest – used for payment of principal and interest on the District's general obligation bonds when such bonds are outstanding.

Additionally, the District reports the following fund types:

Internal service funds – these funds account for the District's self-insurance programs provided to other departments or agencies of the government, on a cost reimbursement basis.

Fiduciary funds – the District has three agency funds which are used to account for assets held by the District as an agent for others. The funds include assets held for activities such as student organizations and athletics, funds held for employee payroll withholdings and flexible spending accounts. They are custodial in nature, and do not involve measurement of results of operations.

The District also has two employee benefit trust funds to account for activities related to the District's other post-employment healthcare plan, and its early retirement incentive plan. The trusts accumulate resources for payment of benefits to qualified employees under each plan.

During 2011, the District adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The new Statement changed how fund balances are classified and reported, and clarified the definitions of existing governmental fund types. Based on the revised definitions of governmental fund types, certain funds that had previously been reported as special revenue funds were reclassified and reported as part of the General Fund beginning with the fiscal year ended June 30, 2011. This included the Supplemental General, Contingency Reserve, Virtual Education, Driver Education, Professional Development, and the Supplemental Grants-State and Local funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods

in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service funds are charges for insurance services. Operating expenses for internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, and Equity

1. Deposits and Investments

K.S.A. 12-1667 authorizes the District to invest moneys not regulated by other statutes in time deposits, repurchase agreements consisting of obligations insured by the U.S. government or any agency thereof, U.S. Treasury bills or notes with maturities not exceeding two years, and the Kansas Municipal Investment Pool. Investments are reported at fair value based on quoted market prices.

The investments of proceeds of long-term debt are governed by specific statutes and authorize the District to invest in the following:

- Investments authorized by K.S.A. 12-1675
- Direct obligations of the U.S. government or any other agency thereof
- Money market funds comprised entirely of obligations of the U.S. Treasury and agencies thereof
- Obligations of any municipality of Kansas
- Investment agreements with a financial institution rated in the three highest rating categories by Moody's or Standard and Poor's.

Cash resources of the individual funds (except for the proceeds of general obligation bonds, which are separately invested) are combined to form a pool of cash and temporary investments that are managed by the District Treasurer. Investments of the pooled accounts consist primarily of certificates of deposits. Interest income earned is allocated to various funds based upon statutory requirements. Restricted cash and investments include the unspent proceeds from general obligation bond issues and funds held in escrow from crossover refunding bond sales.

For purposes of the statement of cash flows, the District considers all investments by fund in the District's cash and investment pool to be cash equivalents.

2. Receivables

Taxes are assessed on a calendar-year basis and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all tax entities within the county. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. Tax installments paid to the County Treasurer in May are budgeted to finance the current year's operations and are distributed to the District prior to fiscal year end.

State statutes provide that in the month of June of each school year, payment (from the State to District) shall be made of the full amount of the general state aid for the year. The State did not make the final state aid payment of \$29,895,688 for the fiscal year ended June 2011 until July 2011. The District was instructed by the State to record the final payment as though it had been received on June 30, 2011. This receipt was recorded for the budgetary basis; however it was recorded as a receivable by the General, Supplemental General Fund and Parents as Teachers Funds for the government-wide and fund financial statements.

3. *Inventories*

Inventories of supplies are stated at cost using the standard cost method. Inventories in the general fund consist of educational and maintenance supplies. Inventories in the special revenue funds are food supplies. The purchase method is used to account for governmental fund type inventories. Under the purchase method, inventories are recorded as expenditures when purchased; however, material amounts of inventories are reported as assets of the respective fund. Reported inventories in these funds are equally offset by a fund balance reserve, which indicates they are unavailable for appropriation even though they are a component of reported assets. Textbooks are expensed at the time of purchase and equally offset by the textbook rental fund. On hand quantities of textbooks are tracked internally, and a replacement value for textbooks is established using the “purchasing list price” of the textbook multiplied by the on hand quantity.

4. *Capital Assets*

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets, but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their estimated fair values as of the date received. The District maintains a capitalization threshold of \$2,000 for regular capital assets, \$100,000 for special assessments and \$1,000,000 for intangibles. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not capitalized. All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	40-50 years
Building Improvements	10-30 years
Land Improvements	10-30 years
Machinery and Equipment	5-20 years

5. *Compensated Absences*

The District annually grants employees temporary leave, the amount of which varies with the classification of the employee. All vacation days accrue monthly. As of June 30 each year, vacation in excess of 40 days is converted to temporary leave. Temporary leave, which consists primarily of sick and personal leave, is allowed to accrue without limit. Upon separation from the District, unused accrued vacation leave up to 20 days is paid on the basis of current salary. An employee who dies or who retires or resigns honorably after reaching age 55 or completing 5 years of employment is eligible for a severance payment. The severance payment is paid at a rate of \$3.75 per unused accrued temporary leave hour and unused accrued vacation leave hours in excess of 20 days. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

6. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts, as well as issuance costs are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

7. *Fund Equity*

During 2011, the District adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The new Statement changed how fund balances are classified and reported, and clarified the definitions of existing governmental fund types. The new fund balance classifications from the District are described below. There was no effect on the District's total reported fund balance or changes in fund balance.

In the governmental funds, equity is shown as fund balance and classified into five components:

- (1) Nonspendable: assets that are not in spendable form (such as inventory)
- (2) Restricted: amounts with externally imposed constraints, such as those mandated by creditors, grantors, contributors, or laws and regulations. Such constraint is binding unless modified or rescinded by the applicable external body, laws or regulations.
- (3) Committed: Amounts with a purpose formally imposed by resolution of the Board of Education; binding unless modified or rescinded by the Board of Education
- (4) Assigned: Amounts constrained by the expressed written intent of the Board of Education or Chief Financial Officer. Encumbrances shall be considered assigned unless they specifically meet the requirements to be restricted or committed.
- (5) Unassigned: All amounts not included in the other classifications

The District considers unrestricted amounts to be spent prior to restricted amounts when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used (committed, assigned or unassigned), the District considers committed amounts to be spent first, followed by assigned and then unassigned amounts.

8. *Net Assets*

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

9. *Estimates*

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect: (1) the reported amounts of assets and liabilities, (2) disclosures such as contingencies, and (3) the reported amounts of revenues and expenses included in such financial statements. Actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Kansas statutes require budgets be adopted for all funds, unless exempted by a specific statute. The statutes provide for the following sequence and timetable in the adoption of the legal budget.

1. Preparation of the budget for the current fiscal year on or before August 1.
2. Publication in local newspaper of the proposed budget and notice of hearing on the budget on or before August 5.
3. Public hearing on or before August 15, but at least 10 days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25.

Kansas statutes allow school districts to operate from July 1 to August 15 without an adopted budget. Kansas statutes also dictate the level of the general fund budget based on a formula that used \$3,937 per full-time equivalent weighted student as of September 20. Because the number of students as of September 20 of the budget year was not known at the time of budget adoption, an estimated number was used. If the estimate is too low, the Board of Education is allowed by statute to increase the general fund budget to the actual amount after following the procedures for publication and public hearing as outlined above. For the current year, the estimated general fund budget was too low due to changes in the rate per special education teacher as funded by the legislature.

Kansas statutes limit the supplemental general fund budget to a percentage of the general fund budget. However, once adopted, the supplemental general fund budget may not be increased. For the year ended June 30, 2011, the adopted supplemental general fund budget was not changed.

The District's legal level of budget control is at the fund level. Kansas statutes allow for the governing body to increase the original adopted budget for previously unbudgeted increases in revenue other than ad valorem taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after the publication, the hearing may be held and the governing body may amend the budget at that time.

Kansas statutes permit transferring budgeted amounts from one object or purpose to another within the same fund; however, such statutes prohibit creating expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Management may amend the amount of a specific object or purpose appropriation without obtaining authorization from the Board of Education providing the amendments or transfers do not create a total budgeted expenditure amount for a specific fund in excess of the amount originally adopted by the Board of Education.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments 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. Encumbered

appropriations are not reappropriated in the ensuing year's budget but are carried forward until liquidated or canceled. Accordingly, the data presented in the budgetary comparison statements differ from the data presented in the financial statements prepared in accordance with GAAP.

A legal operating budget is not required for the internal service funds, the agency funds and the following funds:

General fund subfunds:

- Supplemental grants – state and local
- Contingency reserve

Special revenue funds:

- Athletic activity
- Student material revolving
- Supplemental grants - federal
- Textbook rental
- Music rental

Capital project funds:

- Bond capital projects

Spending in funds which are not subject to legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the Board. The state of Kansas allows spending above legal operating budgets by amounts received from unbudgeted grants and reimbursements.

During 2011, the Legislature of the State of Kansas approved a bill allowing school districts, for the school year 2011-2012, to expend the unencumbered balance of the moneys held in various funds, subject to certain limitations outlined in the bill. Unencumbered cash balances in the following funds may be used: Special Education, State Intervention (K-12), 4-Year Old State Intervention, Bilingual Education, Contingency Reserve, Driver Education, Parents as Teachers, Professional Development, Summer School, Textbook Rental, Athletic Activity, Music Rental, Student Material Revolving, Virtual Education, and Vocational Education. 100% of unencumbered cash balances may be used from these fifteen funds, except for the Special Education, Textbook Rental, Athletic Activity, Music Rental and Student Material Revolving funds, from which only one-third of the balances may be used. Additionally, the amount of money expended by a district in the school year 2011-2012 from unencumbered cash balances shall not exceed, in the aggregate, an amount determined by the state board of education based on a district's enrollment multiplied by the difference between \$4,012 and the base state aid per pupil of \$3,937. Based on this calculation, the maximum amount the District could have spent for 2011-2012 from these unencumbered cash balances is \$16,411,680. The board approved spending of \$4,767,944.

III. DETAILED NOTES ON DISTRICT ACCOUNTS

A. Deposits and Investments

Custodial Credit Risk. For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2011, district deposits were not exposed to custodial credit risk since all were either covered by federal depository insurance or the collateral was held by the District's agent in the District's name. The District does not have a formal policy regarding custodial credit risk, though it follows Kansas statutes, which require that deposits be secured 100%, and investments be perfected in the name of the investing entity and be delivered to a third-party custodian. All district investments were not exposed to custodial credit risk as they were being held by the proper third party custodian.

Financial Section

Credit Risk. State law limits the types of investments that the District may make (see Note I.D.1). The District's investment policy does not add any further limitations. As of June 30, 2011, the securities underlying the District's repurchase agreements include FNMA, FHLMC, and Treasury Inflated Index securities. All were rated AAA by Standard & Poor's and AAA by Moody's Investors Service as of June 30, 2011. Other investments include FNMA, FHLB and FHLMC government agency securities rated AAA by Standard and Poor's.

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. The District has concentrations of investments as of June 30, 2011, as follows:

Investments	Percentage of Investments
FNMA	8%
FHLB	2%
FHLMC	23%

Interest Rate Risk. State law and the District's investment policy limit investments in U.S. Treasury bills or notes to those with maturities not exceeding two years. District policy also states that portfolio maturities shall be staggered in a way that avoids undue concentration of assets in a specific maturity sector, and that the investment portfolio shall remain sufficiently liquid to enable the District to meet all operating requirements which might reasonably be anticipated.

As of June 30, 2011, the District had the following investments and maturities:

Investment Type	Investment maturities (in Years)		
	Fair Value	Less than 1	1-5
Repurchase agreements	\$ 38,553,471	\$ 38,553,471	\$ --
Kansas Municipal Investment Pool	84,363,856	84,363,856	--
U.S. Government agencies	132,646,242	132,646,242	--
Treasury obligation mutual bond funds	19,614,944	19,614,944	--
U.S. Treasuries held in bond escrow trust account	37,984,160	37,984,160	--
Total	\$ 313,162,673	\$ 313,162,673	\$ --

Deposits and investments at June 30, 2011 appear in the financial statements as summarized below:

Carrying amount of deposits	\$ 173,586,590
Carrying amount of investments	313,162,673
Total	\$ 486,749,263
Cash and investments - governmental funds, balance sheet	\$ 408,231,237
Cash and investments - internal service funds, statement of net assets	50,298,503
Cash and investments - governmental activities statement of net assets	458,529,740
Cash and investments - fiduciary funds	28,219,523
Total	\$ 486,749,263

Financial Section

B. Capital Assets

Capital asset activity for the year ended June 30, 2011 was as follows:

	Balance July 1, 2010	Increases	Decreases	Balance June 30, 2011
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 14,795,125	\$ 4,093,841	\$ 28,200	\$ 18,860,766
Construction in progress	12,825,622	104,102,602	22,880,002	94,048,222
Total capital assets, not being depreciated	27,620,747	108,196,443	22,908,202	112,908,988
Capital assets, being depreciated:				
Buildings and improvements	570,909,687	33,524,633	5,695,447	598,738,873
Machinery and equipment	26,705,189	2,804,140	1,868,559	27,640,770
Land improvements	24,333,581	1,769,698	--	26,103,279
Total capital assets being depreciated	621,948,457	38,098,471	7,564,006	652,482,922
Less accumulated depreciation for:				
Buildings and improvements	206,927,783	14,896,732	4,406,004	217,418,511
Machinery and equipment	16,106,852	2,073,626	1,677,127	16,503,351
Land improvements	7,191,604	1,062,990	--	8,254,594
Total accumulated depreciation	230,226,239	18,033,348	6,083,131	242,176,456
Total capital assets, being depreciated, net	391,722,218	20,065,123	1,480,875	410,306,466
Governmental activities capital assets, net	\$ 419,342,965	\$ 128,261,566	\$ 24,389,077	\$ 523,215,454

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

Governmental activities:	
Instruction	\$ 16,623,365
Student and Instructional Support	78,158
Administration	13,645
Operations and Maintenance	1,151,470
Transportation	11,428
Nutrition Service	155,282
Total depreciation expense – governmental activities	\$ 18,033,348

Financial Section

Program expenses include an impairment loss of \$1,282,968 due to the change in use of certain facilities from education to storage or other uses as follows:

	Impairment Loss
Instruction	\$ 1,154,671
Operations and maintenance	128,297
	\$ 1,282,968

Long-Term Debt

Long-term liability activity for the year ended June 30, 2011 was as follows:

	Balance June 30, 2010	Additions	Reductions	Balance June 30, 2011	Due within one year
General obligation bonds	\$ 570,600,000	\$ 39,960,000	\$ 96,290,000	\$ 514,270,000	\$ 55,620,000
Special assessment taxes payable	135,179	--	34,871	100,308	23,218
Early retirement program	53,169,945	7,275,358	2,159,030	58,286,273	15,544,499
Compensated absences	12,070,000	17,024,000	17,775,000	11,319,000	753,000
Premium on bonds	9,903,965	4,557,196	1,452,052	13,009,109	1,906,920
Discount on bonds	(26,457)	--	(2,424)	(24,033)	(2,424)
Deferred refunding	(981,297)	(1,075,954)	(477,005)	(1,580,246)	(532,425)
Arbitrage liability	190,000	--	190,000	--	--
Environmental liability	1,767,400	103,100	--	1,870,500	656,500
Claims payable	11,941,119	44,532,701	44,296,707	12,177,113	8,083,900
OPEB	8,296,158	5,348,433	12,154,722	1,489,869	--
	\$ 667,066,012	\$ 117,724,834	\$ 173,872,953	\$ 610,917,893	\$ 82,053,188
Total					

Compensated absences and the early retirement program are liquidated by the fund where each employee's regular salary is charged (primarily the General Fund and various special revenue funds). The arbitrage liability was liquidated with funds from the Bond Capital Outlay Fund. The environmental liability will be liquidated primarily with funds from the Special Liability Expense Fund. The OPEB liability will be liquidated by the Health Care Internal Service Fund and Retiree Health Benefits Trust Fund as discussed in Note IV.F.

General Obligation Bonds. On August 15, 2000 the District issued \$94,833,000 of general obligation bonds with interest rates ranging from 3.5% to 6.0%, due in September 2017. On July 10, 2001, the District issued \$94,835,000 of general obligation bonds with interest rates varying from 3.50% to 5.50% due in September 2019. On September 15, 2002, the District issued \$94,830,000 of general obligation bonds with interest rates ranging from 2.50% to 5.00%, due in October 2018. Certain portions of these bonds have been refunded in subsequent bond issues.

On May 27, 2009, the District issued \$58,760,000 in General Obligation Refunding and School Building Bonds with interest rates from 2% - 5% due October 1, 2021, and \$132,500,000 in Taxable General Obligation School Building bonds (Build America Bonds), with a taxable interest rate of 6.22% (35% of interest cost is subsidized by the federal government) due October 1, 2028. The bond proceeds will be used to construct, furnish, and equip new school facilities and make additions and improvements to existing school facilities throughout the District. The debt service requirements for general obligation bonds will be paid with future property tax revenues.

On December 15, 2009, the District issued \$32,000,000 in General Obligation School Building Bonds (Qualified School Construction – Tax Credit Bonds), with a federal bond holder tax credit rate of 5.90% and a District funded supplemental coupon of 1.35% due September 15, 2026, and \$3,350,000 in General Obligation Refunding Bonds with interest rates from 2 – 2.5% due October 1, 2011. The bond proceeds will be used to fund certain school building improvement projects throughout the District. The debt service requirements for general obligation bonds will be paid with future property tax revenues.

On March 3, 2010, the District issued \$6,450,000 in General Obligation Refunding Bonds, with interest rates from 2 – 4% due October 1, 2015, and \$100,000,000 in Taxable General Obligation School Building Bonds (Build America Bonds), with taxable interest rates from 5.10 – 5.39% (35% of interest costs is subsidized by the federal government) due October 1, 2025. The debt proceeds will be used to construct, furnish, and equip new school facilities and make additions and improvements to existing school facilities throughout the District. The debt service requirements for general obligation bonds will be paid with future property tax revenues.

Current and Advance Refundings. On September 1, 2010, the District issued \$13,010,000 in General Obligation Refunding Bonds with interest rates from 2.25 – 4.0% due March 1, 2011. The bond proceeds will be used to currently refund \$13,865,000 of Series 2000 bonds. The District completed the transaction to reduce its total debt service payments by \$1,099,739 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of \$1,103,785.

On June 1, 2011, the District issued \$26,950,000 in General Obligation Refunding Bonds with interest rates from 2.00 – 5.0% due September 1, 2011. The bond proceeds will be used to currently refund \$16,995,000 of the Series 2001 bonds, and advance refund \$12,235,000 of the Series 2002 bonds. The net proceeds related to the advance refunding of the Series 2002 bonds of \$13,053,075 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series 2002 bonds. As a result, that portion of the Series 2002 bonds is considered to be defeased and the liability for those bonds has been removed from the government-wide statement of net assets. The District completed the refundings to reduce its total debt service payments by \$1,220,679 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of \$1,227,549.

Crossover Advance Refunding. On November 1, 2004, the District issued \$31,990,000 in general obligation refunding bonds with a net interest cost of 3.56% for a crossover refunding of \$33,085,000 of the outstanding Series 2000 bonds, which have a net interest cost of 5.01%. On June 15, 2005, the District issued \$36,470,000 in general obligation refunding bonds with a net interest cost of 3.83% for a crossover refunding of \$37,790,000 of the outstanding Series 2001 bonds, which have a net interest cost of 4.75%.

Under a crossover advance refunding bond issue, the original bond issues (refunded bonds) are not considered defeased until they are retired. Proceeds of the crossover refunding are placed into an escrow account; however, unlike other advance refundings, the escrow account in a crossover advance refunding is not immediately dedicated to debt service principal and interest on the refunded bonds. Instead, resources in the escrow account are used temporarily to meet debt service requirements on the new, refunding bonds. Only at a later date, known as the “crossover date,” are resources in the escrow account dedicated exclusively to payment of principal and interest on the refunded bonds. Therefore, crossover refundings do not result in the defeasance of debt until the crossover date. The District has recorded both the refunding and refunded bonds in the financial statements, as well as the balance of funds held in escrow for their repayment, which totals \$37,984,160 as of June 30, 2011.

Financial Section

General obligation bond Series 2000 had a crossover date of September 1, 2010 and no bonds remain outstanding. Series 2001 has a crossover date of September 1, 2011.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ended June 30,	Principal	Interest
2012	\$ 55,620,000	\$ 22,577,064
2013	18,695,000	20,792,208
2014	19,215,000	18,905,620
2015	21,450,000	19,090,245
2016	22,775,000	18,219,354
2017 – 2021	112,925,000	81,029,931
2022 – 2026	145,440,000	60,082,690
2027 – 2031	118,150,000	9,495,535
Total	\$ 514,270,000	\$ 250,192,647

Special Assessment Taxes Payable. The District is liable for certain special assessments on certain real property. The payments will be paid from future property tax revenues. The assessments have interest rates varying from 4.83% to 11.72%. Principal payments are due annually through December 1, 2014, as follows:

Year Ended June 30,	Principal	Interest
2012	\$ 23,218	\$ 5,173
2013	24,415	3,975
2014	25,675	2,716
2015	27,000	1,392
Total	\$ 100,308	\$ 13,256

Prior Year Defeasance of Debt. In prior years, the District defeased certain general obligation 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 financial statements of the reporting entity. At June 30, 2011, bonds totaling \$12,285,000 are considered defeased.

Early Retirement Incentive Program. At the discretion of the Board of Education, the District offers a voluntary early retirement incentive program. The District follows GASB 47, *Accounting for Termination Benefits*, in recognizing and reporting the liability related to the early retirement incentive. Eligible employees are those who have been employed by the District in a permanent position for 15 or more years, are at least age 50 when they retire, and have an effective hire date prior to July 1, 1996. Benefits at attaining age 60 are based on the retiree's final average salary used by the Kansas Public Employees Retirement System (KPERS), a 1.4% multiplier for all years of participating service credit with KPERS, and the total number of years of credited KPERS service (excluding any purchased or repurchased years), paid in not more than 60 monthly payments. The benefits also include an amount equal to the amount of the social security benefit the retiree would have been eligible to receive if the employee were age 62, paid in not more than 24 monthly payments. This benefit will be reduced by 5% for each year by which the employee's years of qualified service are less than 20. At year-end, there are 645 retirees receiving benefits, and another 87 eligible retirees that have not yet started receiving benefits.

Financial Section

For the year ended June 30, 2011, the District paid \$15,522,567 in benefits. The liability for the early retirement program includes the expected cash outflows related to future benefit payments, discounted at 4.04%. Through June 1, 2011, this program was unfunded with costs expended as paid. In June 2011, the District established an employee benefit grantor revocable trust for employer contributions that will be used to fund benefits paid under this program. The District made an initial contribution of \$13,363,566 to the Early Retirement Incentive Plan Trust Fund in June 2011

D. Interfund Transfers

A summary of interfund transfers by fund type for the year ended June 30, 2011 is as follows:

	Special Education	State Intervention	Capital Outlay	Nonmajor Governmental	Internal Service Fund	Total
Transfer from: General fund	\$ 33,710,071	\$ 123,401	\$ 413,715	\$ 10,801,195	\$ 131,917	\$ 45,180,299
Total	\$ 33,710,071	\$ 123,401	\$ 413,715	\$ 10,801,195	\$ 131,917	\$ 45,180,299

Transfers are used primarily to move revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

E. Fund Balances

A summary of the components of fund balance, by purpose, is as follows:

	General	Special Education	State Intervention	Bond Capital Projects	Capital Outlay	Bond and Interest	Nonmajor Govern- mental	Total
Nonspendable:								
Inventory	\$ 1,304,348	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 829,014	\$ 2,133,362
Restricted for:								
Instruction	--	--	4,484,277	--	--	--	15,930,095	20,414,372
Facilities	--	--	--	208,341,914	38,747,086	--	847,738	247,936,738
Debt Svc	--	--	--	--	--	64,142,668	--	64,142,668
Spec Ed	--	14,222,361	--	--	--	--	--	14,222,361
Nutrition	--	--	--	--	--	--	11,164,296	11,164,296
Fed & State	1,864,289	--	--	--	--	--	643,989	2,508,278
Assigned to:								
Instruction	15,440,778	--	--	--	--	--	--	15,440,778
Unassigned	16,836,650	--	--	--	--	--	--	16,836,650
Total	\$ 35,446,065	\$ 14,222,361	\$ 4,484,277	\$ 208,341,914	\$ 38,747,086	\$ 64,142,668	\$ 29,415,132	\$ 394,799,503

IV. OTHER INFORMATION

A. Risk Management

The District has adopted self-insurance programs for workers' compensation, short-term disability, health, pharmacy and dental. Liabilities are reported when it is probable a loss has occurred and the amount can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The District uses internal service funds to account for this activity. Each program is funded by a monthly contribution made by the District for each eligible employee. Contribution amounts are determined by the District and the insurance carrier for the District's stop loss policy, if applicable. There have been no settlements in excess of insurance coverage during any of the prior three years. There have been no significant reductions in insurance coverage from the prior year in any category below.

Financial Section

Health Care. All employees who are permanent, active employees working at least half-time for the District are eligible for health, pharmacy and dental benefits. Health, prescription and dental benefits are provided through a self-funded program to District employees and all eligible dependents. The District's annual liability for benefits is limited to \$500,000 per individual claim by a specific stop loss policy. There is no aggregate stop loss policy.

Short-Term Disability. The District provides disability benefits covering employees working in a permanent position at least half-time. Short term disability benefits for certified employees are provided for disabilities resulting from non-occupational illnesses and injuries at a rate of 70% of the employee's regular daily rate. Short term disability benefits are used to augment payments to certified employees with an occupational injury if the Kansas statutory weekly maximum does not equate to 70% of their daily pay rate. Short-term disability benefits for classified employees are provided for disability resulting from non-occupational illness at a rate of 70% of the employee's regular hourly rate of pay. Benefits are provided for a maximum of 180 calendar days from the beginning date of the disability. The outstanding claims liability is calculated from historical data and future expectations. This liability includes an estimated liability for known claims as well as estimated liability for claims incurred but not reported. Short-term disability coverage for classified employees has been reduced from prior years through negotiation to eliminate the 70% coverage for occupational injuries, which are instead covered under workers' compensation.

Workers' Compensation. Workers' compensation benefits are provided for medical expenses and indemnity resulting from occupational illness or accidental injury to all employees under the Kansas Workers Compensation Act. Benefits are paid according to Kansas statute governing workers compensation benefits and is self-funded by the District. The District's liability for benefits is limited by a specific stop loss policy of \$500,000 per claim. The District pays an annual assessment fee to the State of Kansas for the state insurance fund and an assessment for the operation of the Division of Workers Compensation in the Kansas Department of Labor. The outstanding claims liability is calculated from historical data and case reserves set by District staff, and evaluated by an independent actuarial opinion. This includes an estimated liability for known claims as well as an estimated liability for claims incurred but not reported (IBNR). These limits are the same as for the prior year.

Risk Management. The District has a self-insurance program to provide legal defense and pay claims against the Board of Education when an incident occurs during the course of employment. There is a \$500,000 limitation for Kansas claims based on government immunity law. The deductible portion of the property and casualty, general liability, automobile, and aviation premiums are paid from the risk management fund. This limit is the same as for the prior year.

Changes in the claims liabilities during the past two years are as follows:

	<u>Health Care</u>	<u>Disability Reserve</u>	<u>Workers' Compensation</u>	<u>Risk Management</u>
Unpaid claims, June 30, 2009	\$ 3,350,000	\$ 70,000	\$ 6,471,500	\$ --
Incurred claims (including IBNR)	38,021,958	885,421	3,313,397	5,000,822
Claims payments	<u>(37,515,958)</u>	<u>(880,421)</u>	<u>(1,774,778)</u>	<u>(5,000,822)</u>
Unpaid claims, June 30, 2010	3,856,000	75,000	8,010,119	--
Incurred claims (including IBNR)	41,722,463	894,956	--	2,047,303
Claim payments	<u>(40,365,563)</u>	<u>(896,956)</u>	<u>(1,118,906)</u>	<u>(2,047,303)</u>
Unpaid claims, June 30, 2011	<u>\$ 5,212,900</u>	<u>\$ 73,000</u>	<u>\$ 6,891,213</u>	<u>\$ --</u>

B. Environmental Matters

An area near the District's School Service Center has been designated by the Kansas Department of Health and Environment (KDHE) as a groundwater contamination site. As a result of that contamination, the District entered into an agreement with KDHE to perform a Remediation Investigation and Feasibility Study (RI/FS) to investigate the contamination and develop a clean-up plan. The District is currently conducting the Feasibility Study portion of the agreement, which will determine the best approach to site clean-up and restoration, and is completing some groundwater interim remedial measures. While the Feasibility Study and interim remedial measures progress, the District is required to perform semi-annual monitoring of the groundwater. The present value of the costs required for the Feasibility Study, monitoring activities, and interim remedial measures is estimated at \$1,870,500. This amount has been recorded with long-term debt on the statement of net assets and is based on engineering estimates and actual costs incurred. Until the Feasibility Study has been completed, it is not yet possible to estimate the District's ultimate cost for clean-up of the site. There are no anticipated recoveries on this project.

C. Contingent Liabilities

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's counsel that resolution of these matters will not have a materially adverse effect on the financial condition of the District.

D. Construction Commitments and Encumbrances

As of June 30, 2011, the District has outstanding construction commitments of \$82,454,428 under its current general obligation bond projects to construct, furnish, and equip new school facilities and make additions and improvements to existing school facilities throughout the District. This amount is reflected as reserve for encumbrances in the bond capital projects fund. Listed below are all encumbrances for the District:

General	\$ 12,563,913
Special Education	412,869
State Intervention	1,454,454
Bond Capital Projects	82,454,428
Capital Outlay	10,699,130
Nonmajor Governmental	<u>8,742,671</u>
Total	<u>\$ 116,327,465</u>

E. Defined Benefit Pension Plan

Plan Description. The District contributes to the Kansas Public Employees Retirement System (KPERs), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. KPERs provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERs (611 South Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 and K.S.A 74-4921 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. Member employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. The State of Kansas contributed 8.57% of covered payroll for the year ended June 30, 2011. These contribution requirements are established by KPERS and are periodically revised. The State of Kansas' contributions to KPERS for District employees for the years ended June 30, 2009, 2010 and 2011 were \$22,980,806, \$23,560,267, and \$26,198,202, respectively, equal to the statutory required contributions each year. These contributions are recognized as revenues and expenditures in KPERS Retirement Contributions Fund. KPERS had no investments in the District's debt securities. Ten-year historical trend information showing KPERS' progress in accumulating sufficient assets to pay benefits when due is presented in KPERS' June 30, 2011 financial report.

F. Postemployment Healthcare Plan

Wichita Public Schools Post-Retirement Benefits Plan (the Plan) is a single-employer defined benefit healthcare plan administered by the Wichita Public Schools #259 (the District). The Plan does not issue a stand-alone audited GAAP basis financial report.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting. The Plan's financial statements are prepared using the accrual basis of accounting. Employer contributions are recognized in the period in which the contributions are due and payable in accordance with the terms of the Plan. Benefits are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments. Investments are reported at fair value based on quoted market prices. Investments that do not have an established market are reported at their estimated fair value. At June 30, 2011, investments consist of certificates of deposit and an investment in the Kansas Municipal Investment Pool.

Plan Description and Contribution Information

Plan Description. The Plan provides healthcare benefits, including medical, dental, vision and life, to retirees. Retiree health coverage is provided for under K.S.A. 12-5040. Employees who retire on or after age 55 with at least 10 years of cumulative service with the District and 10 years of vested service under Kansas Public Employee Retirement System (KPERS) are eligible for benefits. If a participant was hired before July 1, 1996, then the participant can access the plan if retirement is on or after age 50 with 15 years of service with the District. Retirees and spouses have the same benefit as active employees. Retiree coverage terminates either when the retiree becomes covered under another employer health plan, or when the retiree reaches the Medicare eligibility age which is currently age 65. Spousal coverage is available until the retiree becomes covered under another employer health plan, attains Medicare eligibility age, or dies.

Financial Section

Membership of the Plan consisted of the following at July 1, 2009, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	\$ 1,068
Terminated plan members entitled to but not yet receiving benefits	--
Active plan members	<u>6,636</u>
Total	<u>\$ 7,704</u>

Contributions. As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. Through June 30, 2011, the funding policy of the District was to pay premiums as they come due through the Health Care internal service fund. The contribution requirements of plan members and the District are established and may be amended by the Board of Education. The required contribution is based on projected pay-as-you-go financing requirements. District retirees pay 100% of their premiums; the District is not required to share costs of retiree premiums. Administrative costs of the Plan are financed by the premiums paid into the Health Care internal service fund.

In June 2011, the District established an irrevocable trust for the exclusive benefit of providing funds to pay benefits under the Plan. The District made an initial contribution of \$10 million to the trust in June 2011 to pre-fund benefits. Additional employer contributions to the trust are at the sole discretion of the District.

Funded Status and Funding Progress

Annual OPEB Cost and Net OPEB Obligation. The Districts' annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statements 43 and 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Districts' net OPEB obligation to the Plan:

Annual required contribution	\$ 5,479,651
Interest on net OPEB obligation	373,327
Adjustment to annual required contribution	<u>(504,545)</u>
Annual OPEB cost (expense)	5,348,433
Contributions made	<u>(12,154,722)</u>
Decrease in net OPEB obligation	(6,806,289)
Net OPEB obligation – beginning of year	<u>8,296,158</u>
Net OPEB obligation – end of year	<u>\$ 1,489,869</u>

The district's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 were as follows:

Fiscal Year <u>Ended</u>	Annual <u>OPEB Cost</u>	Percentage of Annual OPEB <u>Cost Contributed</u>	Net OPEB <u>Obligation</u>
6/30/11	\$ 5,348,433	227.3%	\$ 1,489,869
6/30/10	\$ 5,194,110	35.8%	\$ 8,296,158
6/30/09	\$ 4,425,845	48.3%	\$ 4,959,187

As of July 1, 2009, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$41.8 million, and there was no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$41.8 million. The covered payroll (annual payroll of active employees covered by the plan) was \$292.2 million, and the ratio of the UAAL to the covered payroll was 14.30 percent.

Subsequent to the most recent actuarial valuation date of July 1, 2009, the District established a Retiree Benefit Trust fund and contributed \$10,000,000 to the trust. Therefore, this amount is not factored into the funded status of the Plan described in the paragraph above.

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

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan 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 to that point.

In the July 1, 2009, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the District's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 9 percent initially, reduced to an ultimate rate of 5 percent after eight years. Both rates included a 2.5 percent inflation assumption. The UAAL is being amortized as a level dollar of projected payroll on a closed basis. The remaining amortization period at July 1, 2009, was twenty-eight years on the original base amount of \$35,793,858 and thirty years on the additional amount of \$7,190,058 added in 2009. Actuarial methods and assumptions used includes techniques that are consistent with the long-term perspective of the calculations.

G. Other Employee Benefit Trust Funds

The District has two trust funds which include assets held for other post-employment health care benefits and early retirement incentives. Listed below are condensed financial statements for both trusts.

	Early Retirement Incentive Plan Trust	Retiree Benefit Trust	Totals
Total assets	\$ 13,363,566	\$ 10,000,000	\$ 23,363,566
Total liabilities	-	-	-
Net assets	\$ 13,363,566	\$ 10,000,000	\$ 23,363,566
Additions	\$ 13,363,566	\$ 10,000,000	\$ 23,363,566
Deductions	-	-	-
Change in net assets	13,363,566	10,000,000	\$ 23,363,566
Beginning net assets	-	-	-
Ending net assets	\$ 13,363,566	\$ 10,000,000	\$ 23,363,566

H. Pending Governmental Accounting Standards

The effect on the District's financial statements of the following statements issued, but not yet adopted, has not yet been determined.

GASB Statement No. 60, Accounting and Financial Reporting for Service Concession Arrangements, was issued in November 2010. This statement is intended to improve financial reporting by addressing issues related to service concession arrangements, which are a type of public-private partnership. GASB 60 applies to those arrangements in which specific criteria determining whether a transferor (a government) has control over the facility are met. The provision of this statement are effective for the District's fiscal year ending June 30, 2012.

GASB Statement No. 61, The Financial Reporting Entity: Omnibus, was issued in November 2010. This statement modifies certain requirements for inclusion of component units in the District's financial statements. The new statement clarifies the manner in which a government's management determines a component unit should be included, even if the financial accountability criterion is not met. This statement also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) when the component unit is blended based on the "substantively in the same governing body" criterion. New criteria are added to require blending of component units whose total debt outstanding is expected to be repaid entirely or almost entirely with resources of the primary government. The provisions of this statement are effective for financial statements for the District's fiscal year ending June 30, 2013.

GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, was issued in December 2010. The objective of this statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions,

and Accounting Research Bulletins of the American Institute of Certified Public Accountants' Committee on Accounting Procedure. The provisions of this statement are effective for financial statements for the District's fiscal year ending June 30, 2012.

GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. The requirements of this Statement will improve financial reporting of the District by standardizing the presentation of deferred outflows of resources and deferred inflows of resources (transactions that result in the consumption or acquisition of net assets in one period that are applicable to future periods) and their effects on the District's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where non previously existed. The provisions of this statement are effective for financial statements for the District's fiscal year ending June 30, 2013 with earlier application encouraged.

I. Subsequent Events

During the 2010-2011 fiscal year, in order to meet all of the "maintenance of effort" compliance requirements related to expenditures of the Special Education Cluster grant award, the District returned \$2,180,000 of special education funding to the State of Kansas related to the fiscal year ended June 30, 2011. This transaction is reflected as a reduction of revenue and an increase in accounts payable in the District's financial statements for the fiscal year ending June 30, 2011. The funds will be distributed back to the District from the State in fiscal year 2012. "Maintenance of effort" provisions require the District to meet or exceed expenditures for the same purpose of the prior fiscal year.





Required Supplementary Information

**WICHITA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 259**

REQUIRED SUPPLEMENTARY INFORMATION

OTHER POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS

June 30, 2011

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll ((b-a)/c)
07/01/09	--	\$ 41,784,080	\$ 41,784,080	0%	\$ 292,212,520	14.30%
07/01/07	--	35,793,858	35,793,858	0%	266,214,828	13.45%

Schedule of Employer Contributions*

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2011	\$5,479,651	221.8%
2010	5,270,124	35.2%
2009	4,466,075	47.9%

* The District created an employee benefit trust in June 2011. Prior to June 2011, the Plan was administered through the Health Care internal service fund, and did not have its own Statement of Plan Net Assets and Statement of Changes in Plan Net Assets. Activity related to employee and employer contributions and the payment of benefits will be recognized as additions / deductions to the trust's net assets starting in fiscal 2012.

Financial Section

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
Year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ 45,252,727	\$ 45,252,727	\$ 45,066,362	\$ (186,365)
Intergovernmental - State	263,307,687	266,969,955	257,487,568	(9,482,387)
Intergovernmental - Federal	5,609,375	5,609,375	15,431,378	9,822,003
Other	-	-	61,433	61,433
Total revenue	<u>314,169,789</u>	<u>317,832,057</u>	<u>318,046,741</u>	<u>214,684</u>
Expenditures:				
Current:				
Instruction	111,287,436	112,479,272	115,842,619	3,363,347
Student and instructional support	27,175,867	27,175,867	27,502,416	326,549
Administration	30,088,775	30,088,775	31,526,624	1,437,849
Operations and maintenance	33,198,151	33,198,151	34,549,806	1,351,655
Student transportation service	87,000	87,000	73,064	(13,936)
Total expenditures	<u>201,837,229</u>	<u>203,029,065</u>	<u>209,494,529</u>	<u>6,465,464</u>
Revenue over expenditures	<u>112,332,560</u>	<u>114,802,992</u>	<u>108,552,212</u>	<u>(6,250,780)</u>
Other financing sources (uses):				
Transfer (to) from other funds:				
Special Revenue Funds	(112,466,863)	(114,937,295)	(108,471,833)	6,465,462
Total other financing sources (uses)	<u>(112,466,863)</u>	<u>(114,937,295)</u>	<u>(108,471,833)</u>	<u>6,465,462</u>
Revenues and other financing sources over (under) expenditures and other uses	(134,303)	(134,303)	80,379	214,682
Fund balances at beginning of year	134,303	134,303	134,305	2
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 214,684</u>	<u>\$ 214,684</u>

Explanation of difference between budgetary and GAAP fund balances:

Separately budgeted general fund subfunds:	
Supplemental General, including \$6,746,381 of encumbrances	6,695,614
Virtual Education, including \$6,722 of encumbrances	1,091,802
Driver Education	267,944
Professional Development, including \$664,422 of encumbrances	1,046,184
Non-budgeted general fund subfunds:	
Contingency Reserve, including \$220,889 of encumbrances	15,095,474
Supplemental Grants - State and Local, including \$1,722,594 of encumbrances	6,605,341
Accounts payable for items received but not yet paid for	(78,231)
Encumbrances for equipment and supplies ordered but not received are not reported for GAAP purposes until received.	3,202,905
Inventory purchases are outflows of budgetary resources but are not expenditures for GAAP.	<u>1,304,348</u>
GAAP fund balance at end of year	<u>\$ 35,446,065</u>

Financial Section

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Special Education Fund
Year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Intergovernmental - Federal	\$ 18,826,734	\$ 18,826,734	23,906,780	\$ 5,080,046
Other	-	-	1,744,971	1,744,971
Total revenues	<u>18,826,734</u>	<u>18,826,734</u>	<u>25,651,751</u>	<u>6,825,017</u>
Expenditures:				
Current:				
Instruction	59,835,316	59,780,419	56,082,392	(3,698,027)
Student and instructional support	20,198,776	20,198,776	19,795,947	(402,829)
Administration	7,609,418	3,665,686	3,494,763	(170,923)
Operations and maintenance	1,385,493	5,384,122	4,709,722	(674,400)
Student transportation service	11,447,138	11,447,138	9,969,083	(1,478,055)
Total expenditures	<u>100,476,141</u>	<u>100,476,141</u>	<u>94,051,907</u>	<u>(6,424,234)</u>
Revenues over (under) expenditures	<u>(81,649,407)</u>	<u>(81,649,407)</u>	<u>(68,400,156)</u>	<u>13,249,251</u>
Other financing sources (uses):				
Transfers in	<u>72,227,350</u>	<u>72,227,350</u>	<u>71,855,571</u>	<u>(371,779)</u>
Total other financing sources (uses)	<u>72,227,350</u>	<u>72,227,350</u>	<u>71,855,571</u>	<u>(371,779)</u>
Revenues and other financing sources over (under) expenditures and other uses	(9,422,057)	(9,422,057)	3,455,415	12,877,472
Fund balances at beginning of year	<u>12,511,471</u>	<u>12,511,471</u>	<u>12,511,470</u>	<u>(1)</u>
Fund balances at end of year	<u>\$ 3,089,414</u>	<u>\$ 3,089,414</u>	<u>\$ 15,966,885</u>	<u>\$ 12,877,471</u>
Explanation of difference between budgetary and GAAP fund balances:				
Accounts payable for items received but not yet paid for			(118)	
Encumbrances for equipment and supplies ordered but not received are not reported for GAAP purposes until received.			412,869	
Repayment of federal funds accrued in accounts payable			(2,180,000)	
Intergovernmental revenues earned but not received are reported as revenues for GAAP purposes.			<u>22,725</u>	
GAAP fund balance at end of year			<u>\$ 14,222,361</u>	

Financial Section

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
State Intervention Fund (K-12)
Year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 58,413	\$ 58,413
Other	-	-	10,499	10,499
Total revenues	-	-	68,912	68,912
Expenditures:				
Current:				
Instruction	70,763,970	70,763,970	67,399,980	(3,363,990)
Student and instructional support	1,162,723	1,162,723	873,766	(288,957)
Administration	1,321,039	1,321,039	1,287,204	(33,835)
Operations and maintenance	369,732	369,732	357,981	(11,751)
Student transportation services	-	-	10,439	10,439
Total expenditures	73,617,464	73,617,464	69,929,370	(3,688,094)
Revenues over (under) expenditures	(73,617,464)	(73,617,464)	(69,860,458)	3,757,006
Other financing sources (uses):				
Transfers in	70,683,719	71,917,628	70,017,356	(1,900,272)
Total other financing sources (uses)	70,683,719	71,917,628	70,017,356	(1,900,272)
Revenues and other financing sources over (under) expenditures and other uses	(2,933,745)	(1,699,836)	156,898	1,856,734
Fund balances at beginning of year	2,933,745	2,933,745	2,933,746	1
Fund balances at end of year	\$ -	\$ 1,233,909	\$ 3,090,644	\$ 1,856,735
Explanation of difference between budgetary and GAAP fund balances:				
Accounts payable for items received but not yet paid for			(60,821)	
Encumbrances for equipment and supplies ordered but not received are not reported for GAAP purposes until received.			1,454,454	
GAAP fund balance at end of year			\$ 4,484,277	

Supplementary Information



Special Revenue Funds - used to account for specific revenues that are legally restricted to expenditures for particular purposes. The special revenue funds maintained by the District and the purpose of each are as follows:

Adult Education – used to account for revenue and expenditures in conjunction with the Adult Basic Education program identified in K.S.A. 72-4517.

4-Year-Old State Intervention – was created by Kansas statute in 2005 and provides early childhood programs for the district.

Bilingual Education – used to account for costs incurred in administering programs to provide special help for pupils whose native language is not English.

eSchool Virtual Education – used to provide lessons, resources, training and teaching support online for K-8 families and to provide an online alternative learning option for high school students in Wichita and the Wichita Metro Area.

Driver Education – used to account for the costs of transporting students within the district.

Latchkey Program – used to account for expenditures associated with the high school night school and learning center programs.

Nutrition Services – used to account for the all monies received and expended attributable to the food service program. The program is administered according to the state plan of child nutrition operations under which federal funds and commodities are received pursuant to federal acts relating to child nutrition. The programs are administered and meals are served on a nonprofit basis.

Professional Development – used to account for teacher inservice training program.

Parents As Teachers – used to account for the home/school partnership program that helps parents understand more about how young children grow and learn so that they can be better teacher of their preschool children.

Summer School – used to account for costs associated with the summer school programs.

Textbook Rental – used to account for the receipt of student textbook rental fees and the expenditures for student textbooks.

Vocational Education – used to account for secondary education vocational programs approved by the state and funded by the General fund weighting formula.

Special Liability Expense – is used to pay for the cost of providing for the defense of the district and its employees for the payment of claims.

Contingency Reserve – used to provide resources for unforeseen and unplanned needs.

Athletic Activity – used to account for gate receipts at secondary school athletic functions and expenditures relating to those functions.

Music Rental – used to account for the collection of student music rental fees and the expenditures for musical instruments.

Student Material Revolving – used to account for revenues from student materials fees and the expenditures associated with the purchase of student materials.

Supplemental Grants – Federal – used to account for revenue and expenses of programs administered in accordance with federal grants awarded to the district.

Supplemental Grants – State and Local – used to account for revenue and expenses of programs administered in accordance with state and nongovernmental and/or local grants awarded to the district.

Special Assessment – used to pay for costs associated with capital improvements such as streets, sewers, curbs, and gutters.

KPERS Retirement Contributions – used to account for revenue and expenses of the Kansas Public Employees Retirement System. KPERS provide statewide defined-benefit retirement plans for state and local public employees.

Internal Service Funds – are used by state and local governments to account for the financing of goods and services provided by one department or agency to other departments or agencies, and to other governments, on a cost-reimbursement basis. These funds are not required by the state to have adopted budgets. The internal service funds maintained by the district and the purpose of each are listed below:

Health Care – used to account for premium deposits and expenditures to health care providers of medical and dental services for covered district employees.

Disability Reserve - used to account for premiums and disability claims paid by the district on behalf of covered employees.

Workers' Compensation – used to account for benefits provided for disability resulting from occupational illness or injury to all employees under the Kansas Worker's Compensation Law.

Risk Management – used to account for legal defense and pay claims against the Board of Education when an incident occurs during the course of employment. The deductible portion of the property and casualty, general liability, automobile and aviation premiums are also accounted for in this fund

Fiduciary Funds – are used when a government holds or manages financial resources in an agent or fiduciary capacity. The fiduciary funds maintained by the district and the purpose of each are listed below:

Employee Benefit Trust – allow only for the expenses of the specific purpose it was initially set up for. During 2010-11 the District funded \$10 million of the \$42 million OPEB (Other Post Employee Benefits) obligation in an irrevocable trust.

Pension Trust – is the combination of employer and employee contributions in pension benefits. The District funded \$13 million pension liability to the early retirement program.

**Wichita Public Schools
Unified School District No. 259
Combining Balance Sheet
General Fund
June 30, 2011**

General Fund Subfunds

	General	Supplemental General	Contingency Reserve	Virtual Education	Driver Education	Supplemental Grants - State and Local	Professional Development	Total General Fund
Cash, cash equivalents and investments	\$ -	\$ 6,025,593	\$ 3,223,859	\$ 130,566	\$ 267,944	\$ 7,702,723	\$ 1,080,645	\$ 18,431,330
Intergovernmental receivables	-	-	-	-	-	127,450	-	127,450
State aid receivable	27,292,837	2,352,605	-	-	-	-	-	29,645,442
Due from other funds	-	-	11,871,910	1,000,000	-	-	-	12,871,910
Inventory	1,304,348	-	-	-	-	-	-	1,304,348
Total Assets	\$ 28,597,185	\$ 8,378,198	\$ 15,095,769	\$ 1,130,566	\$ 267,944	\$ 7,830,173	\$ 1,080,645	\$ 62,380,480

Assets:
Cash, cash equivalents and investments
Intergovernmental receivables
State aid receivable
Due from other funds
Inventory
Total Assets

Accounts payable	\$ 525,166	\$ 1,082,262	\$ 295	\$ -	\$ -	\$ 391,280	\$ -	\$ 1,999,003
Accrued payroll	10,556,403	600,322	-	38,764	-	-	34,461	11,229,950
Deferred revenue	-	-	-	-	-	833,552	-	833,552
Due to other funds	12,871,910	-	-	-	-	-	-	12,871,910
Total Liabilities	\$ 23,953,479	\$ 1,682,584	\$ 295	\$ 38,764	\$ -	\$ 1,224,832	\$ 34,461	\$ 26,934,415

Liabilities and Fund Balances:
Liabilities:
Accounts payable
Accrued payroll
Deferred revenue
Due to other funds
Total Liabilities

Fund Balances:	1,304,348	-	-	-	-	-	-	1,304,348
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	1,864,289	-	1,864,289
Assigned	3,202,905	6,695,614	220,889	6,722	-	4,650,226	664,422	15,440,778
Unassigned	136,453	-	14,874,585	1,085,080	267,944	90,826	381,762	16,836,650
Total fund balances	4,643,706	6,695,614	15,095,474	1,091,802	267,944	6,605,341	1,046,184	35,446,065
Total liabilities and fund balances	\$ 28,597,185	\$ 8,378,198	\$ 15,095,769	\$ 1,130,566	\$ 267,944	\$ 7,830,173	\$ 1,080,645	\$ 62,380,480

Fund Balances:
Nonspendable
Restricted
Assigned
Unassigned
Total fund balances
Total liabilities and fund balances

**Wichita Public Schools
Unified School District No. 259
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
For the Year Ended June 30, 2011**

	General Fund Subfunds							
	General	Supplemental General	Contingency Reserve	Virtual Education	Driver Education	Supplemental Grants - State and Local	Professional Development	Total General Fund
Revenues:								
Taxes	\$ 45,066,362	\$ 57,681,931	-	\$ -	\$ -	\$ -	\$ -	\$ 102,748,293
Intergovernmental - State	156,820,214	15,952,307	-	1,775,587	107,596	174,017	-	174,829,721
Intergovernmental - Federal	15,431,378	-	-	-	-	-	-	15,431,378
Charges for services	-	-	-	10,022	-	326,095	-	336,117
Earnings on investments	-	-	-	-	-	1,504	-	1,504
Other	-	11,770	-	-	-	2,872,740	-	2,884,510
Contributions	-	-	-	-	-	652,623	-	652,623
Total revenues	217,317,954	73,646,008	-	1,785,609	107,596	4,026,979	-	296,884,146
Expenditures:								
Current:								
Instruction	114,254,764	2,171,096	1,053,137	554,715	20,790	870,747	-	118,925,249
Student and instructional support	27,414,741	400,699	-	100,332	165	263,249	576,087	28,755,273
Administration	31,528,631	634,547	-	102,695	-	90,802	-	32,356,675
Operations and maintenance	34,804,316	18,069,683	328,671	-	-	1,796,852	-	54,999,522
Student transportation service	76,822	15,079,667	-	-	-	8,219	-	15,164,708
Nutrition services	-	-	-	-	-	5,717	-	5,717
Facility acquisition and construction service	-	-	-	-	-	10,000	-	10,000
Total expenditures	208,079,274	36,355,692	1,381,808	757,742	20,955	3,045,586	576,087	250,217,144
Excess (deficiency) of revenues over (under) expenditures	9,238,680	37,290,316	(1,381,808)	1,027,867	86,641	981,393	(576,087)	46,667,002
Other financing sources (uses):								
Transfers out	(7,804,479)	(37,375,820)	-	-	-	-	-	(45,180,299)
Total other financing sources (uses)	(7,804,479)	(37,375,820)	-	-	-	-	-	(45,180,299)
Net change in fund balances	1,434,201	(85,504)	(1,381,808)	1,027,867	86,641	981,393	(576,087)	1,486,703
Fund balances at beginning of year	3,083,475	6,781,118	16,477,282	63,935	181,303	5,623,948	1,622,271	33,833,332
Change in reserve for inventory	126,030	-	-	-	-	-	-	126,030
Fund balances at end of year	\$ 4,643,706	\$ 6,695,614	\$ 15,095,474	\$ 1,091,802	\$ 267,944	\$ 6,605,341	\$ 1,046,184	\$ 35,446,065

**Wichita Public Schools
Unified School District No. 259
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2011**

Special Revenue Funds

	Adult Education - Regular	4 Year Old State Intervention	Bilingual Education	Latchkey	Nutrition Services	Parents as Teachers	Summer School
\$	12,476	\$ 763,066	\$ 591,903	\$ 1,004,630	\$ 11,330,394	\$ 259,810	\$ 159,314
	-	-	-	-	-	-	-
	-	-	-	-	-	250,246	-
	-	-	-	-	829,014	-	-
Total assets	\$ 12,476	\$ 763,066	\$ 591,903	\$ 1,004,630	\$ 12,159,408	\$ 510,056	\$ 159,314
Liabilities:							
Accounts payable	-	-	\$ 2,748	\$ 12,148	\$ 25,099	\$ 513	-
Accrued payroll	-	208,737	557,805	-	142,269	45,128	50,815
Deferred revenue	-	-	-	-	-	72,985	-
Total liabilities	-	208,737	560,553	12,148	167,368	118,626	50,815
Fund Balances:							
Nonspendable	-	-	-	-	829,014	-	-
Restricted	12,476	554,329	31,350	992,482	11,163,026	391,430	108,499
Total fund balances	12,476	554,329	31,350	992,482	11,992,040	391,430	108,499
Total liabilities and fund balances	\$ 12,476	\$ 763,066	\$ 591,903	\$ 1,004,630	\$ 12,159,408	\$ 510,056	\$ 159,314

(continued)

**Wichita Public Schools
Unified School District No. 259
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2011
(continued)**

		Special Revenue Funds						
		Textbook Rental	Vocational Education	Special Liability Expense	Athletic Activity	Music Rental	Student Material Revolving	Supplemental Grants - Federal
Assets:								
Cash, cash equivalents and investments	\$ 8,325,706	\$ 876,528	\$ 2,552,712	\$ 1,071,769	\$ 515,820	\$ 1,141,371	\$ 2,233,312	
Accounts receivable	-	-	-	-	-	-	984,216	
State aid receivable	-	-	-	-	-	-	-	
Inventory	-	-	-	-	-	-	-	
Total assets	\$ 8,325,706	\$ 876,528	\$ 2,552,712	\$ 1,071,769	\$ 515,820	\$ 1,141,371	\$ 3,217,528	
Liabilities:								
Accounts payable	\$ 138,463	\$ 205	\$ -	\$ 15,194	\$ 19,134	\$ 17,880	\$ 296,682	
Accrued payroll	-	453,501	-	-	-	-	1,262,236	
Deferred revenue	-	-	-	-	-	-	1,013,351	
Total liabilities	138,463	453,706	-	15,194	19,134	17,880	2,572,269	
Fund Balances:								
Nonspendable	-	-	-	-	-	-	-	
Restricted	8,187,243	422,822	2,552,712	1,056,575	496,686	1,123,491	645,259	
Total fund balances	8,187,243	422,822	2,552,712	1,056,575	496,686	1,123,491	645,259	
Total liabilities and fund balances	\$ 8,325,706	\$ 876,528	\$ 2,552,712	\$ 1,071,769	\$ 515,820	\$ 1,141,371	\$ 3,217,528	

(continued)

Wichita Public Schools
Unified School District No. 259
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2011
 (continued)

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Special Assessments	KPERs Retirement Contributions	-	
Assets:				
Cash, cash equivalents and investments	\$ 847,738	\$ -	\$ -	\$ 31,686,549
Accounts receivable	-	-	-	984,216
State aid receivable	-	-	-	250,246
Inventory	-	-	-	829,014
Total assets	<u>\$ 847,738</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,750,025</u>
Liabilities:				
Accounts payable	-	-	-	\$ 528,066
Accrued payroll	-	-	-	2,720,491
Deferred revenue	-	-	-	1,086,336
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,334,893</u>
Fund Balances:				
Nonspendable	-	-	-	829,014
Restricted	847,738	-	-	28,586,118
Total fund balances	<u>847,738</u>	<u>-</u>	<u>-</u>	<u>29,415,132</u>
Total liabilities and fund balances	<u>\$ 847,738</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,750,025</u>

**Wichita Public Schools
Unified School District No. 259
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2011**

	Special Revenue Funds						
	Adult Education - Regular	4 Year Old State Intervention	Bilingual Education	Latchkey	Nutrition Services	Parents as Teachers	Summer School
Revenues:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental - State	-	3,763,772	7,764,158	-	186,769	505,311	-
Intergovernmental - Federal	-	-	-	600,355	16,619,940	31,123	-
Charges for services	-	-	-	-	3,126,797	-	114,782
Earnings on investments	617	-	1,353	-	5,916	-	-
Other	-	-	-	-	-	1,148	-
Contributions	-	-	-	-	-	-	-
Total revenues	617	3,763,772	7,765,511	600,355	19,939,422	537,582	114,782
Expenditures:							
Current:							
Instruction	2,020	4,110,926	9,622,180	501,854	-	-	115,601
Student and instructional support	53,632	385,264	454,687	-	-	832,252	-
Administration	-	77,543	646,279	-	-	-	17,053
Operations and maintenance	-	106,492	174	-	-	-	24,344
Student transportation service	-	-	-	-	-	-	-
Nutrition services	-	-	-	-	18,031,304	-	-
Facility acquisition and construction service	-	-	-	-	-	-	-
Total expenditures	55,652	4,680,225	10,723,320	501,854	18,031,304	832,252	156,998
Excess of revenues over (under) expenditures	(55,035)	(916,453)	(2,957,809)	98,501	1,908,118	(294,670)	(42,216)
Other financing sources (uses):							
Transfers in	-	948,872	2,960,653	-	-	464,961	-
Total other financing sources (uses)	-	948,872	2,960,653	-	-	464,961	-
Net change in fund balances	(55,035)	32,419	2,844	98,501	1,908,118	170,291	(42,216)
Fund balances at beginning of year	67,511	521,910	28,506	893,981	10,134,587	221,139	150,715
Change in reserve for inventory	-	-	-	-	(50,665)	-	-
Fund balances at end of year	\$ 12,476	\$ 554,329	\$ 31,350	\$ 992,482	\$ 11,992,040	\$ 391,430	\$ 108,499

(continued)

**Wichita Public Schools
Unified School District No. 259
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2011
(continued)**

	Special Revenue Funds									
	Textbook Rental	Vocational Education	Special Liability Expense	Athletic Activity	Music Rental	Student Material Revolving	Supplemental Grants - Federal			
Revenues:										
Taxes	\$ -	\$ -	\$ 187	\$ -	\$ -	\$ -	\$ -			
Intergovernmental - State	-	2,970,073	-	-	-	-	-			
Intergovernmental - Federal	-	-	-	-	-	-	-			37,955,618
Charges for services	655,746	-	-	422,220	68,323	391,590	-			-
Earnings on investments	-	-	4,312	1,928	-	-	-			-
Other	200	-	-	65,384	1,000	-	(8,665)			-
Contributions	-	-	-	900	-	-	-			-
Total revenues	655,946	2,970,073	4,499	490,432	69,323	391,590	37,946,953			
Expenditures:										
Current:										
Instruction	986,983	7,272,158	-	727,834	-	462,004	17,062,944			
Student and instructional support	-	-	-	-	342,386	174,296	17,747,879			
Administration	-	598,201	-	2,931	-	-	1,533,463			
Operations and maintenance	-	79,192	336,910	-	-	-	1,588,508			
Student transportation service	-	-	-	-	-	-	16,367			
Nutrition services	-	-	-	-	-	-	74,846			
Facility acquisition and construction service	-	-	-	-	-	-	-			
Total expenditures	986,983	7,949,551	336,910	730,765	342,386	636,300	38,024,007			
Excess of revenues over (under) expenditures	(331,037)	(4,979,478)	(332,411)	(240,333)	(273,063)	(244,710)	(77,054)			
Other financing sources (uses):										
Transfers in	1,335,358	5,091,351	-	-	-	-	-			
Total other financing sources (uses)	1,335,358	5,091,351	-	-	-	-	-			
Net change in fund balances	1,004,321	111,873	(332,411)	(240,333)	(273,063)	(244,710)	(77,054)			
Fund balances at beginning of year	7,182,922	310,949	2,885,123	1,296,908	769,749	1,368,201	722,313			
Change in reserve for inventory	-	-	-	-	-	-	-			
Fund balances at end of year	\$ 8,187,243	\$ 422,822	\$ 2,552,712	\$ 1,056,575	\$ 496,686	\$ 1,123,491	\$ 645,259			

(continued)

**Wichita Public Schools
 Unified School District No. 259
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2011
 (continued)**

	<u>Special Revenue Funds</u>			<u>Total</u>
	<u>Special Assessments</u>	<u>KPERS Retirement Contributions</u>	<u>Nonmajor Governmental Funds</u>	
Revenues:				
Taxes	\$ 6,314	\$ -	\$ 6,501	
Intergovernmental - State	-	26,198,202	41,388,285	
Intergovernmental - Federal	-	-	55,207,036	
Charges for services	-	-	4,779,458	
Earnings on investments	1,750	-	15,876	
Other	-	-	59,067	
Contributions	-	-	900	
Total revenues	<u>8,064</u>	<u>26,198,202</u>	<u>101,457,123</u>	
Expenditures:				
Current:				
Instruction	-	19,425,966	60,290,470	
Student and instructional support	-	2,271,384	22,261,780	
Administration	-	1,865,312	4,740,782	
Operations and maintenance	-	2,101,095	4,236,715	
Student transportation service	-	34,059	50,426	
Nutrition services	-	500,386	18,606,536	
Facility acquisition and construction service	306,108	-	306,108	
Total expenditures	<u>306,108</u>	<u>26,198,202</u>	<u>110,492,817</u>	
Excess of revenues over (under) expenditures	(298,044)	-	(9,035,694)	
Other financing sources (uses):				
Transfers in	-	-	10,801,195	
Total other financing sources (uses)	-	-	10,801,195	
Net change in fund balances	(298,044)	-	1,765,501	
Fund balances at beginning of year	1,145,782	-	27,700,296	
Change in reserve for inventory	-	-	(50,665)	
Fund balances at end of year	<u>\$ 847,738</u>	<u>\$ -</u>	<u>\$ 29,415,132</u>	

Financial Section

**Wichita Public Schools
 Unified School District No. 259
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Supplemental General Fund
 Year ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Over/ (Under)
Revenues:				
Taxes	\$ 58,378,227	\$ 58,378,227	\$ 57,681,931	\$ (696,296)
Intergovernmental - State	39,727,544	39,727,544	39,597,998	(129,546)
Other	-	-	395,349	395,349
Total revenues	98,105,771	98,105,771	97,675,278	(430,493)
Expenditures:				
Current:				
Instruction	1,836,277	1,836,277	3,442,535	1,606,258
Student and instructional support	1,821,308	1,821,308	1,593,876	(227,432)
Administration	764,503	764,503	636,457	(128,046)
Operations and maintenance	24,155,465	24,155,465	19,029,275	(5,126,190)
Student transportation service	15,953,188	15,953,188	15,849,770	(103,418)
Total expenditures	44,530,741	44,530,741	40,551,913	(3,978,828)
Revenues over (under) expenditures	53,575,030	53,575,030	57,123,365	3,548,335
Other financing sources (uses):				
Transfers out	(57,651,259)	(57,651,259)	(61,021,511)	3,370,252
Revenues and other financing sources over (under) expenditures and other uses	(4,076,229)	(4,076,229)	(3,898,146)	178,083
Fund balances at beginning of year	4,076,229	4,076,229	3,898,146	(178,083)
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -

Financial Section

**Wichita Public Schools
 Unified School District No. 259
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Virtual Education Program
 Year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 10,022	\$ 10,022
Other	-	-	3,383	3,383
Total revenues	-	-	13,405	13,405
Expenditures:				
Current:				
Instruction	563,725	563,725	541,016	(22,709)
Student and instructional support	101,966	101,966	100,332	(1,634)
Administration	102,946	102,946	102,695	(251)
Total expenditures	768,637	768,637	744,043	(24,594)
Revenues over (under) expenditures	(768,637)	(768,637)	(730,638)	37,999
Other financing sources (uses):				
Transfers in	771,195	1,775,587	1,775,587	-
Total other financing sources (uses)	771,195	1,775,587	1,775,587	-
Revenues and other financing sources over (under) expenditures and other uses	2,558	1,006,950	1,044,949	37,999
Fund balances at beginning of year	40,131	40,131	40,131	-
Fund balances at end of year	\$ 42,689	\$ 1,047,081	\$ 1,085,080	\$ 37,999

**Wichita Public Schools
 Unified School District No. 259
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Driver Education Fund
 Year ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Over/ (Under)
Revenues:				
Intergovernmental - State	\$ -	\$ -	\$ 107,596	\$ 107,596
Other	-	-	6,834	6,834
Total revenues	-	-	114,430	114,430
Expenditures:				
Current:				
Instruction	162,973	162,973	18,860	(144,113)
Student and instruction support	-	-	165	165
Operations and maintenance	9,566	9,566	-	(9,566)
Total expenditures	172,539	172,539	19,025	(153,514)
Revenues over (under) expenditures	(172,539)	(172,539)	95,405	267,944
Fund balances at beginning of year	172,539	172,539	172,539	-
Fund balances at end of year	\$ -	\$ -	\$ 267,944	\$ 267,944

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Professional Development Fund
Year ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
			Budgetary	Over/ (Under)
			Basis	
Expenditures:				
Current:				
Student and instructional support	\$ 1,396,591	\$ 1,396,591	\$ 1,238,192	\$ (158,399)
Total expenditures	<u>1,396,591</u>	<u>1,396,591</u>	<u>1,238,192</u>	<u>(158,399)</u>
Revenues over (under) expenditures	<u>(1,396,591)</u>	<u>(1,396,591)</u>	<u>(1,238,192)</u>	<u>158,399</u>
Revenues and other financing sources over (under) expenditures and other uses	<u>(1,396,591)</u>	<u>(1,396,591)</u>	<u>(1,238,192)</u>	<u>158,399</u>
Fund balances at beginning of year	<u>1,619,953</u>	<u>1,619,953</u>	<u>1,619,954</u>	<u>1</u>
Fund balances at end of year	<u>\$ 223,362</u>	<u>\$ 223,362</u>	<u>\$ 381,762</u>	<u>\$ 158,400</u>

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Adult Education - Regular Fund
Year ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Over/ (Under)
Revenues:				
Taxes	\$ -	\$ -	\$ 617	\$ 617
Total revenues	-	-	617	617
Expenditures:				
Current:				
Instruction	-	-	2,020	2,020
Student and instructional support	67,510	67,510	63,636	(3,874)
Total expenditures	67,510	67,510	65,656	(1,854)
Revenues over (under) expenditures	(67,510)	(67,510)	(65,039)	2,471
Fund balances at beginning of year	67,510	67,510	67,511	1
Fund balances at end of year	\$ -	\$ -	\$ 2,472	\$ 2,472

Financial Section

**Wichita Public Schools
 Unified School District No. 259
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Four Year Old State Intervention Fund
 Year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Other	\$ -	\$ -	\$ 419	\$ 419
Total revenues	-	-	419	419
Expenditures:				
Current:				
Instruction	4,507,182	4,507,182	4,111,074	(396,108)
Student and instructional support	427,184	427,184	385,264	(41,920)
Administration	51,726	51,726	77,543	25,817
Operations and maintenance	249,535	249,535	106,492	(143,043)
Total expenditures	5,235,627	5,235,627	4,680,373	(555,254)
Revenues over (under) expenditures	(5,235,627)	(5,235,627)	(4,679,954)	(555,673)
Other financing sources (uses):				
Transfers in	5,049,304	5,049,304	4,712,644	(336,660)
Total other financing sources (uses)	5,049,304	5,049,304	4,712,644	(336,660)
Revenues and other financing sources over (under) expenditures and other uses	(186,323)	(186,323)	32,690	892,333
Fund balances at beginning of year	521,491	521,491	521,491	-
Fund balances at end of year	\$ 335,168	\$ 335,168	\$ 554,181	\$ 892,333

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Bilingual Education Fund
Year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Interest income	\$ 1,353	\$ 1,353	\$ 1,353	\$ -
Other	-	-	2,227	2,227
Total revenues	1,353	1,353	3,580	2,227
Expenditures:				
Current:				
Instruction	9,825,595	9,825,595	9,643,023	(182,572)
Student and instructional support	333,156	333,156	447,828	114,672
Administration	553,724	553,724	636,971	83,247
Operations and maintenance	209,554	209,554	174	(209,380)
Total expenditures	10,922,029	10,922,029	10,727,996	(194,033)
Revenues over (under) expenditures	(10,920,676)	(10,920,676)	(10,724,416)	196,260
Other financing sources (uses):				
Transfers in	10,918,844	10,918,844	10,724,811	(194,033)
Total other financing sources (uses)	10,918,844	10,918,844	10,724,811	(194,033)
Revenues and other financing sources over (under) expenditures and other uses	(1,832)	(1,832)	395	2,227
Fund balances at beginning of year	1,832	1,832	1,833	1
Fund balances at end of year	\$ -	\$ -	\$ 2,228	\$ 2,228

**Wichita Public Schools
 Unified School District No. 259
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Latchkey Fund
 Year ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Over/ (Under)
Revenues:				
Intergovernmental - Federal	\$ -	\$ -	\$ 600,355	\$ 600,355
Other	-	-	9,506	9,506
Total revenues	-	-	609,861	609,861
Expenditures:				
Current:				
Student and instruction support	799,680	799,680	497,800	(301,880)
Total expenditures	799,680	799,680	497,800	(301,880)
Revenues over (under) expenditures	(799,680)	(799,680)	112,061	911,741
Fund balances at beginning of year	856,730	856,730	856,730	-
Fund balances at end of year	\$ 57,050	\$ 57,050	\$ 968,791	\$ 911,741

Financial Section

**Wichita Public Schools
 Unified School District No. 259
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Nutrition Services Fund
 Year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Intergovernmental - State	\$ 185,705	\$ 185,705	\$ 186,769	\$ 1,064
Intergovernmental - Federal	15,143,904	15,143,904	16,619,940	1,476,036
Charges for services	4,147,569	4,147,569	3,126,797	(1,020,772)
Earnings on investments	-	-	5,916	5,916
Other	-	-	911,693	911,693
Total revenues	19,477,178	19,477,178	20,851,115	1,373,937
Expenditures:				
Current:				
Nutrition services	22,333,470	22,333,470	19,964,021	(2,369,449)
Total expenditures	22,333,470	22,333,470	19,964,021	(2,369,449)
Revenues over (under) expenditures	(2,856,292)	(2,856,292)	887,094	3,743,386
Fund balances at beginning of year	5,139,467	5,139,467	5,139,465	(2)
Fund balances at end of year	\$ 2,283,175	\$ 2,283,175	\$ 6,026,559	\$ 3,743,384

**Wichita Public Schools
 Unified School District No. 259
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Parents As Teachers Fund
 Year ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Over/ (Under)
Revenues:				
Intergovernmental - State	\$ 510,130	\$ 510,130	\$ 505,311	\$ (4,819)
Intergovernmental - Federal	-	-	31,123	31,123
Contributions and donations	-	-	72,833	72,833
Other	-	-	3,003	3,003
Total revenues	510,130	510,130	612,270	102,140
Expenditures:				
Current:				
Student and instructional support	1,013,662	1,013,662	823,550	(190,112)
Total expenditures	1,013,662	1,013,662	823,550	(190,112)
Revenues over (under) expenditures	(503,532)	(503,532)	(211,280)	292,252
Other financing sources (uses):				
Transfers in	464,961	464,961	464,961	-
Total other financing sources (uses)	464,961	464,961	464,961	-
Revenues and other financing sources over (under) expenditures and other uses	(38,571)	(38,571)	253,681	292,252
Fund balances at beginning of year	175,673	175,673	175,673	-
Fund balances at end of year	\$ 137,102	\$ 137,102	\$ 429,354	\$ 292,252

Financial Section

**Wichita Public Schools
 Unified School District No. 259
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Summer School Fund
 Year ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Over/ (Under)
Revenues:				
Charges for services	\$ 143,921	\$ 143,921	\$ 114,782	\$ (29,139)
Other	-	-	944	944
Total revenues	143,921	143,921	115,726	(28,195)
Expenditures:				
Current:				
Instruction	234,700	234,700	113,045	(121,655)
Administration	29,030	29,030	17,053	(11,977)
Operations and maintenance	27,405	27,405	24,344	(3,061)
Total expenditures	291,135	291,135	154,442	(136,693)
Revenues over (under) expenditures	(147,214)	(147,214)	(38,716)	108,498
Fund balances at beginning of year	147,214	147,214	147,215	1
Fund balances at end of year	\$ -	\$ -	\$ 108,499	\$ 108,499

Financial Section

**Wichita Public Schools
 Unified School District No. 259
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Vocational Education Fund
 Year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Other	\$ -	\$ -	\$ 2,045	\$ 2,045
Total revenues	-	-	2,045	2,045
Expenditures:				
Current:				
Instruction	6,965,852	6,965,852	7,270,489	304,637
Administration	642,665	642,665	598,201	(44,464)
Operations and maintenance	373,256	373,256	79,192	(294,064)
Total expenditures	7,981,773	7,981,773	7,947,882	(33,891)
Revenues over (under) expenditures	(7,981,773)	(7,981,773)	(7,945,837)	35,936
Other financing sources (uses):				
Transfers in	8,061,424	8,061,424	8,061,424	-
Total other financing sources (uses)	8,061,424	8,061,424	8,061,424	-
Revenues and other financing sources over (under) expenditures and other uses	79,651	79,651	115,587	35,936
Fund balances at beginning of year	296,078	296,078	296,078	-
Fund balances at end of year	\$ 375,729	\$ 375,729	\$ 411,665	\$ 35,936

**Wichita Public Schools
 Unified School District No. 259
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Special Liability Expense Fund
 Year ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Over/ (Under)
Revenues:				
Taxes	\$ -	\$ -	\$ 187	\$ 187
Earnings on investments	-	-	4,312	4,312
Total revenues	-	-	4,499	4,499
Expenditures:				
Current:				
Administration	800,000	800,000	298,552	(501,448)
Total expenditures	800,000	800,000	298,552	(501,448)
Revenues over (under) expenditures	(800,000)	(800,000)	(294,053)	505,947
Fund balances at beginning of year	2,184,699	2,184,699	2,184,699	-
Fund balances at end of year	\$ 1,384,699	\$ 1,384,699	\$ 1,890,646	\$ 505,947

**Wichita Public Schools
 Unified School District No. 259
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Special Assessment Fund
 Year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ 6,314	\$ 6,314
Earnings on investments	-	-	1,750	1,750
Total revenues	-	-	8,064	8,064
Expenditures:				
Current:				
Facility acquisition and construction service	1,145,584	1,145,584	1,145,584	-
Total expenditures	1,145,584	1,145,584	1,145,584	-
Revenues over (under) expenditures	(1,145,584)	(1,145,584)	(1,137,520)	8,064
Fund balances at beginning of year	1,145,584	1,145,584	1,145,782	198
Fund balances at end of year	\$ -	\$ -	\$ 8,262	\$ 8,262

**Wichita Public Schools
 Unified School District No. 259
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 KPERS Retirement Contributions
 Year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	Over/ (Under)
Revenues:				
Intergovernmental - State	\$ 25,916,294	\$ 25,916,294	\$ 20,228,896	\$ (5,687,398)
Total revenues	25,916,294	25,916,294	20,228,896	(5,687,398)
Expenditures:				
Current:				
Instruction	16,195,414	16,195,414	14,999,726	(1,195,688)
Student and instructional support	4,045,170	4,045,170	1,753,845	(2,291,325)
Administration	2,646,120	2,646,120	1,440,297	(1,205,823)
Operations and maintenance	2,446,231	2,446,231	1,622,357	(823,874)
Transportation	50,859	50,859	26,299	(24,560)
Nutrition services	532,500	532,500	386,372	(146,128)
Total expenditures	25,916,294	25,916,294	20,228,896	(5,687,398)
Revenues over (under) expenditures	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -

**Wichita Public Schools
 Unified School District No. 259
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Capital Outlay Fund
 Year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	Over/ (Under)
Revenues:				
Taxes	\$ 19,993,546	\$ 19,993,546	\$ 19,758,213	\$ (235,333)
Intergovernmental - Federal	-	-	5,702,905	5,702,905
Earnings on investments	-	-	168,031	168,031
Sale of property	-	-	268,111	268,111
Other	-	-	3,325,477	3,325,477
Total revenues	19,993,546	19,993,546	29,222,737	9,229,191
Expenditures:				
Current:				
Facility acquisition and construction service	43,600,000	43,600,000	31,293,006	(12,306,994)
Total expenditures	43,600,000	43,600,000	31,293,006	(12,306,994)
Revenues over (under) expenditures	(23,606,454)	(23,606,454)	(2,070,269)	21,536,185
Other financing sources (uses):				
Transfers in	-	-	413,715	413,715
Total other financing sources (uses)	-	-	413,715	413,715
Revenues and other financing sources over (under) expenditures and other uses	(23,606,454)	(23,606,454)	(1,656,554)	21,949,900
Fund balances at beginning of year	31,459,839	31,459,839	29,725,560	(1,734,279)
Fund balances at end of year	\$ 7,853,385	\$ 7,853,385	\$ 28,069,006	\$ 20,215,621

**Wichita Public Schools
 Unified School District No. 259
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Bond and Interest Fund
 Year ended June 30, 2011**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ 26,129,655	\$ 26,129,655	\$ 25,678,593	\$ (451,062)
Intergovernmental - State	9,885,746	9,885,746	9,885,746	-
Interest expense subsidy - Federal	4,888,104	4,888,104	4,888,103	(1)
Total revenues	40,903,505	40,903,505	40,452,442	(451,063)
Expenditures:				
Current:				
Principal/Interest on long-term debt	44,531,088	44,531,088	44,402,198	(128,890)
Cost of issuance on refunding bonds	-	-	47,575	47,575
Total expenditures	44,531,088	44,531,088	44,449,773	(81,315)
Revenues over (under) expenditures	(3,627,583)	(3,627,583)	(3,997,331)	(369,748)
Other financing sources (uses):				
Issuance of refunding bonds	-	-	64,106	64,106
Total other financing sources (uses)	-	-	64,106	64,106
Revenues over (under) expenditures	(3,627,583)	(3,627,583)	(3,933,225)	(305,642)
Fund balances at beginning of year	30,091,730	30,091,730	30,091,733	3
Fund balances at end of year	\$ 26,464,147	\$ 26,464,147	\$ 26,158,508	\$ (305,639)

**Wichita Public Schools
Unified School District No. 259
Combining Statement of Net Assets
Internal Service Funds
June 30, 2011**

	Health Care	Disability Reserve	Workers' Compensation	Risk Management	Total
Assets:					
Current assets:					
Cash and cash equivalents	\$ 37,462,019	\$ 1,998,778	\$ 10,298,069	\$ 539,637	\$ 50,298,503
Total current assets	37,462,019	1,998,778	10,298,069	539,637	50,298,503
Liabilities:					
Current liabilities:					
Accrued liabilities	-	25,858	23,379	28,084	77,321
Accrued salaries	3,427	33,515	9,046	6,053	52,041
Current portion - claims payable	5,212,900	73,000	2,798,000	-	8,083,900
Total current liabilities	5,216,327	132,373	2,830,425	34,137	8,213,262
Noncurrent liabilities:					
Long-term claims payable	-	-	4,093,213	-	4,093,213
Total liabilities	5,216,327	132,373	6,923,638	34,137	12,306,475
Net Assets:					
Total net assets restricted for self-insurance claims	\$ 32,245,692	\$ 1,866,405	\$ 3,374,431	\$ 505,500	\$ 37,992,028

**Wichita Public Schools
 Unified School District No. 259
 Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
 Internal Service Funds
 Year ended June 30, 2011**

	Health Care	Disability Reserve	Workers' Compensation	Risk Management	Total
Operating revenues:					
Charges for services	\$ 49,642,365	\$ 1,247,232	\$ 3,812,119	\$ 3,727	\$ 54,705,443
Other insurance reimbursements	96	-	(4,927)	1,978,897	1,974,066
Total operating revenues	<u>49,642,461</u>	<u>1,247,232</u>	<u>3,807,192</u>	<u>1,982,624</u>	<u>56,679,509</u>
Operating expenses:					
Contractual services	<u>57,236,558</u>	<u>975,167</u>	<u>1,846,082</u>	<u>1,922,619</u>	<u>61,980,426</u>
Total operating expenses	<u>57,236,558</u>	<u>975,167</u>	<u>1,846,082</u>	<u>1,922,619</u>	<u>61,980,426</u>
Operating income (loss)	<u>(7,594,097)</u>	<u>272,065</u>	<u>1,961,110</u>	<u>60,005</u>	<u>(5,300,917)</u>
Nonoperating revenues:					
Interest	61,813	3,104	15,461	5,961	86,339
Total nonoperating revenue	<u>61,813</u>	<u>3,104</u>	<u>15,461</u>	<u>5,961</u>	<u>86,339</u>
Income (loss) before transfers	<u>(7,532,284)</u>	<u>275,169</u>	<u>1,976,571</u>	<u>65,966</u>	<u>(5,214,578)</u>
Transfers in	-	-	-	131,917	131,917
Change in net assets	<u>(7,532,284)</u>	<u>275,169</u>	<u>1,976,571</u>	<u>197,883</u>	<u>(5,082,661)</u>
Total net assets-beginning of year	<u>39,777,976</u>	<u>1,591,236</u>	<u>1,397,860</u>	<u>307,617</u>	<u>43,074,689</u>
Total net assets-end of year	<u>\$ 32,245,692</u>	<u>\$ 1,866,405</u>	<u>\$ 3,374,431</u>	<u>\$ 505,500</u>	<u>\$ 37,992,028</u>

Financial Section

**Wichita Public Schools
Unified School District No. 259
Combining Statement of Cash Flows
Internal Service Funds
Year ended June 30, 2011**

	Health Care	Disability Reserve	Workers' Compensation	Risk Management	Total
Cash flows from operating activities:					
Cash received for services	\$ 49,642,365	\$ 1,247,232	\$ 3,812,119	\$ 3,727	\$ 54,705,443
Cash received from insurance companies	96	-	(4,927)	1,978,897	1,974,066
Cash payments for claims	(52,391,950)	(1,031,454)	(2,941,385)	(1,762,906)	(58,127,695)
Net cash flow from operating activities	(2,749,489)	215,778	865,807	219,718	(1,448,186)
Cash flows from non-capital financing activities:					
Transfers from other funds	-	-	-	131,917	131,917
Net cash flow from non-capital financing activities	-	-	-	131,917	131,917
Cash flows from investing activities:					
Interest on investments	61,813	3,104	15,461	5,961	86,339
Net cash flow from investing activities	61,813	3,104	15,461	5,961	86,339
Change in cash and cash equivalents	(2,687,676)	218,882	881,268	357,596	(1,229,930)
Cash and cash equivalents-beginning of the year	40,149,695	1,779,896	9,416,801	182,041	51,528,433
Cash and cash equivalents-end of the year	\$ 37,462,019	\$ 1,998,778	\$ 10,298,069	\$ 539,637	\$ 50,298,503
-					
Reconciliation of operating income (loss) to net cash flow from operating activities:					
Operating income (loss)	\$ (7,594,097)	\$ 272,065	\$ 1,961,110	\$ 60,005	\$ (5,300,917)
Adjustments to reconcile operating income (loss) to net cash flow from operating activities:					
Change in due from other funds	3,492,191	-	-	131,917	3,624,108
Change in accrued liabilities	(4,483)	(54,287)	23,603	27,796	(7,371)
Change in claims payable	1,356,900	(2,000)	(1,118,906)	-	235,994
Net cash flow from operating activities	\$ (2,749,489)	\$ 215,778	\$ 865,807	\$ 219,718	\$ (1,448,186)

**Wichita Public Schools
Unified School District No. 259
Combining Statement of Fiduciary Net Assets
Fiduciary Funds - Employee Benefit Trust Funds
June 30, 2011**

	<u>Early Retirement Incentive Plan Trust</u>	<u>Retiree Benefit Trust</u>	<u>Total</u>
Assets:			
Investments, at fair value:			
Certificates of deposit	\$ 3,000,000	\$ 8,000,000	\$ 11,000,000
Value of interest in pooled funds	<u>10,363,566</u>	<u>2,000,000</u>	<u>12,363,566</u>
Total assets	<u>13,363,566</u>	<u>10,000,000</u>	<u>23,363,566</u>
Liabilities:			
Due to others	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Assets:			
Held in trust for other employee benefits	<u>13,363,566</u>	<u>10,000,000</u>	<u>23,363,566</u>
Total net assets	<u>\$ 13,363,566</u>	<u>\$ 10,000,000</u>	<u>\$ 23,363,566</u>

**Wichita Public Schools
Unified School District No. 259
Combining Statement of Changes in Fiduciary Net Assets
Fiduciary Funds - Employee Benefit Trust Funds
For the Year Ended June 30, 2011**

	Early Retirement Incentive Plan Trust	Retiree Benefit Trust	Total
Additions:			
Employer contributions	\$ 13,363,566	\$ 10,000,000	\$ 23,363,566
Total additions	<u>13,363,566</u>	<u>10,000,000</u>	<u>23,363,566</u>
Deductions:			
Benefits and other	-	-	-
Total deductions	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	13,363,566	10,000,000	23,363,566
Net assets - beginning of year	-	-	-
Net assets - end of year	<u>\$ 13,363,566</u>	<u>\$ 10,000,000</u>	<u>\$ 23,363,566</u>

**Wichita Public Schools
Unified School District No. 259
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Funds - Agency Funds
June 30, 2011**

	<u>Agency Funds</u>			
	<u>Student Activity Funds</u>	<u>Payroll Trust Fund</u>	<u>Flexible Spending</u>	<u>Total Agency Funds</u>
Assets				
Cash and cash equivalents	\$ 3,543,242	\$ 1,152,819	\$ 159,896	\$ 4,855,957
Total assets	<u>\$ 3,543,242</u>	<u>\$ 1,152,819</u>	<u>\$ 159,896</u>	<u>\$ 4,855,957</u>
Liabilities				
Due to others	\$ 3,543,242	\$ 1,152,819	\$ 159,896	\$ 4,855,957
Total liabilities	<u>\$ 3,543,242</u>	<u>\$ 1,152,819</u>	<u>\$ 159,896</u>	<u>\$ 4,855,957</u>

Financial Section

**Wichita Public Schools
Unified School District No. 259
Combining Statement of Changes in Assets and Liabilities
Fiduciary Funds - Agency Funds
Year ended June 30, 2011**

	Balance, June 30 2010	Additions	Deletions	Balance, June 30 2011
Totals - All Agency Funds				
Assets				
Cash and cash equivalents	\$ 4,753,947	\$ 139,866,384	\$ 139,764,374	\$ 4,855,957
Total assets	<u>\$ 4,753,947</u>	<u>\$ 139,866,384</u>	<u>\$ 139,764,374</u>	<u>\$ 4,855,957</u>
Liabilities				
Due to others	\$ 4,753,947	\$ 139,866,384	\$ 139,764,374	\$ 4,855,957
Total liabilities	<u>\$ 4,753,947</u>	<u>\$ 139,866,384</u>	<u>\$ 139,764,374</u>	<u>\$ 4,855,957</u>
Student Activity Funds				
Assets				
Cash and cash equivalents	\$ 3,472,283	\$ 12,350,958	\$ 12,279,999	\$ 3,543,242
Total assets	<u>\$ 3,472,283</u>	<u>\$ 12,350,958</u>	<u>\$ 12,279,999</u>	<u>\$ 3,543,242</u>
Liabilities				
Due to others	\$ 3,472,283	\$ 12,350,958	\$ 12,279,999	\$ 3,543,242
Total liabilities	<u>\$ 3,472,283</u>	<u>\$ 12,350,958</u>	<u>\$ 12,279,999</u>	<u>\$ 3,543,242</u>
Payroll Trust Fund				
Assets				
Cash and cash equivalents	\$ 1,092,150	\$ 121,108,524	\$ 121,047,855	\$ 1,152,819
Total assets	<u>\$ 1,092,150</u>	<u>\$ 121,108,524</u>	<u>\$ 121,047,855</u>	<u>\$ 1,152,819</u>
Liabilities				
Due to others	\$ 1,092,150	\$ 121,108,524	\$ 121,047,855	\$ 1,152,819
Total liabilities	<u>\$ 1,092,150</u>	<u>\$ 121,108,524</u>	<u>\$ 121,047,855</u>	<u>\$ 1,152,819</u>
Flexible Spending Fund				
Assets				
Cash and cash equivalents	\$ 189,514	\$ 6,406,902	\$ 6,436,520	\$ 159,896
Total assets	<u>\$ 189,514</u>	<u>\$ 6,406,902</u>	<u>\$ 6,436,520</u>	<u>\$ 159,896</u>
Liabilities				
Due to others	\$ 189,514	\$ 6,406,902	\$ 6,436,520	\$ 159,896
Total liabilities	<u>\$ 189,514</u>	<u>\$ 6,406,902</u>	<u>\$ 6,436,520</u>	<u>\$ 159,896</u>

Statistical Section



STATISTICAL SECTION

This part of the Wichita Public Schools statistical comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the Wichita Public Schools overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changed over time.	98
Revenue Capacity These schedules contain information to help the reader assess the district's financially significant local revenue source, the property tax.	104
Debt Capacity These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	108
Demographic and Economic Information These schedules offer demographic and economic indicators To help the reader understand the environment within which The district's financial activities take place.	112
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the districts provides and the activities it performs.	115

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The district implemented GASB Statement 34 in June 2002; schedules presenting government-wide information include information beginning in that year.

Statistical Section

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Last Ten Fiscal Years Ended June 30,**

	2002	2003	2004	2005
Revenues:				
Taxes	(1) \$ 97,937,347	\$ 107,792,816	\$ 151,517,208	\$ 115,817,735
Intergovernmental - State	234,268,004	244,743,897	230,890,676	240,080,606
Intergovernmental - Federal	43,977,302	48,636,740	58,274,593	59,811,021
Interest expense subsidy - Federal	(3) -	-	-	-
Charges for services	8,233,981	7,439,103	7,617,597	5,414,169
Earnings on investments	10,997,796	7,768,054	3,553,282	3,169,608
Other	5,721,640	6,627,091	4,382,923	3,769,354
Contributions	34,159	21,433	-	-
Total revenues	401,170,229	423,029,134	456,236,279	428,062,493
Expenditures:				
Instruction	204,352,570	211,308,468	225,021,873	220,635,391
Student and instructional support	51,355,139	49,522,283	49,891,245	50,099,298
Administration	28,082,224	29,956,146	28,869,729	30,451,254
Operations and maintenance	42,074,279	44,208,585	43,876,578	50,174,541
Student transportation service	16,709,150	17,625,854	17,477,166	18,128,299
Nutrition services	14,078,456	15,613,915	15,560,532	15,581,790
Sub-total current expenditures	356,651,818	368,235,251	380,697,123	385,070,573
Facility acquisition and construction service	53,492,517	101,034,656	109,006,225	68,948,723
Debt Service:				
Principal retirement	16,103,000	10,395,000	13,040,000	9,905,000
Interest	8,343,921	11,118,035	12,286,238	12,859,653
Other	-	-	-	-
Total expenditures	434,591,256	490,782,942	515,029,586	476,783,949
Excess (deficiency) of revenues over (under) expenditures	(33,421,027)	(67,753,808)	(58,793,307)	(48,721,456)
Other financing sources (uses):				
Bond issuance	(2) -	-	-	-
Premium on bond issuance	(2) -	-	-	-
Discount on bond issuance	(2) -	-	-	-
Payment on refunded bonds	(2) -	-	-	-
Proceeds of lease purchase	-	-	-	-
Proceeds from issuance of debt	94,835,000	94,830,000	-	-
Issuance of refunding bonds	-	-	-	68,460,000
Premiums on bonds sold	-	-	-	7,683,648
Sale of property	-	-	-	-
Transfers in	82,129,797	87,469,160	76,768,505	81,051,744
Transfers out	(84,006,239)	(88,451,851)	(77,427,560)	(81,183,661)
Transfers out - debt service	-	-	-	-
Total other financing sources (uses)	92,958,558	93,847,309	(659,055)	76,011,731
Net change in fund balances	59,537,531	26,093,501	(59,452,362)	27,290,275
Fund balances at beginning of year	155,712,735	215,076,680	241,178,759	181,686,407
Change in reserve for inventory	(173,586)	8,578	(39,990)	(50,267)
Fund balances at end of year	\$ 215,076,680	\$ 241,178,759	\$ 181,686,407	\$ 208,926,415
Ratio of total debt service expenditures to noncapital expenditures.	6.43%	5.53%	6.28%	5.59%

(1) The state changed the tax collection dates starting in 2004 resulting in a one year only increase in tax revenues.

(2) In November 2008, Wichita citizens approved the passage of \$370 million bond issue

(3) In the 2009 federal stimulus plan, a new bond option was created that allowed bonds to be issued as taxable securities with the district receiving a subsidy of 35% of the interest from the federal treasury.

Statistical Section

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Last Ten Fiscal Years Ended June 30,**

	2006	2007	2008	2009	2010	2011
\$	120,700,320	\$ 126,534,430	\$ 138,635,857	\$ 142,769,888	\$ 149,855,266	\$ 148,191,597
	283,607,623	315,665,158	344,323,411	361,839,622	320,824,377	334,143,207
	59,895,999	59,971,569	57,235,874	58,799,705	96,757,118	99,248,416
	-	-	-	-	2,435,821	4,888,103
	8,525,609	6,011,281	5,561,626	6,492,556	5,890,320	5,173,988
	4,785,887	10,859,048	10,380,375	5,701,943	2,566,359	2,511,719
	3,092,723	6,953,381	3,763,512	2,763,531	2,397,458	4,268,316
	13,985	360,647	1,217,199	972,267	856,818	653,523
	480,622,146	526,355,514	561,117,854	579,339,512	581,583,537	599,078,869
	244,698,491	263,913,393	287,752,823	291,195,270	290,231,979	301,439,506
	59,202,505	69,652,446	74,075,547	79,389,067	76,125,699	71,632,655
	32,799,723	34,610,127	37,197,292	42,609,103	41,568,245	45,409,783
	55,337,795	57,507,190	65,557,633	70,351,157	61,571,070	60,773,798
	18,376,565	19,140,522	20,095,468	21,509,033	26,958,550	25,105,244
	16,745,000	16,727,652	17,424,261	19,342,146	18,974,782	18,612,253
	427,160,079	461,551,330	502,103,024	524,395,776	515,430,325	522,973,239
	34,467,735	18,926,102	33,939,625	31,360,422	43,723,073	127,522,666
	10,675,000	11,465,000	12,264,999	13,075,000	13,955,000	20,110,000
	13,956,286	13,860,796	13,211,519	12,907,387	21,802,132	26,852,512
	-	-	-	-	887,791	1,075,953
	486,259,100	505,803,228	561,519,167	581,738,585	595,798,321	698,534,370
	(5,636,954)	20,552,286	(401,313)	(2,399,073)	(14,214,784)	(99,455,501)
	-	-	-	191,260,000	141,800,000	39,960,000
	-	-	-	5,336,620	1,193,154	4,557,196
	-	-	-	(29,083)	-	-
	-	-	-	(3,000,000)	(9,285,000)	(76,180,000)
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	427,431	268,111
	120,571,854	135,756,406	161,735,935	182,742,671	178,170,320	45,048,382
	(122,083,020)	(139,284,085)	(161,867,852)	(182,874,588)	(181,794,428)	(45,180,299)
	-	-	-	-	-	-
	(1,511,166)	(3,527,679)	(131,917)	193,435,620	130,511,477	(31,526,610)
	(7,148,120)	17,024,607	(533,230)	191,036,547	116,296,693	(130,982,111)
	208,926,414	202,152,788	219,457,827	218,586,019	409,711,044	525,706,249
	374,494	280,432	(338,577)	88,478	(301,488)	75,365
\$	202,152,788	\$ 219,457,827	\$ 218,586,020	\$ 409,711,044	\$ 525,706,249	\$ 394,799,503
	5.27%	5.11%	4.79%	4.60%	6.47%	8.17%

FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Reserved	\$ 5,729,281	\$ 5,305,206	\$ 6,386,977	\$ 4,806,381	\$ 5,526,799	\$ 4,605,335	\$ 4,564,166	\$ 3,372,025	\$ 3,034,222	\$ -
Unreserved	241,683	162,511	273,269	377,923	331,129	139,544	128,190	8,597	49,253	-
Nonspendable	(2)	-	-	-	-	-	-	-	-	1,304,348
Restricted	(2)	-	-	-	-	-	-	-	-	1,864,289
Assigned	(2)	-	-	-	-	-	-	-	-	15,440,778
Unassigned	(2)	-	-	-	-	-	-	-	-	16,836,650
Total general fund	5,970,964	5,467,717	6,660,246	5,184,304	5,857,928	4,744,879	4,692,356	3,380,622	3,083,475	35,446,065
All Other Governmental Funds										
Reserved	(1) \$ 104,298,581	\$ 66,684,021	\$ 80,783,587	\$ 113,942,186	\$ 95,624,633	\$ 112,138,906	\$ 99,579,568	\$ 104,724,314	\$ 138,469,242	\$ -
Unreserved, reported in:										
Special revenue funds	28,847,297	38,962,382	48,978,817	48,820,139	46,917,622	54,587,911	56,852,402	59,097,752	61,985,141	-
Capital projects funds	66,803,889	116,387,563	32,163,348	19,057,008	32,226,352	26,522,998	35,605,271	215,643,501	292,076,658	-
Debt service funds	9,155,670	13,677,076	13,100,409	21,922,778	21,526,253	21,463,133	21,856,423	26,864,855	30,091,733	-
Nonspendable	(2)	-	-	-	-	-	-	-	-	829,014
Restricted, reported in:										
Special revenue funds	(2)	-	-	-	-	-	-	-	-	47,292,756
Capital projects funds	(2)	-	-	-	-	-	-	-	-	247,089,000
Debt service funds	(2)	-	-	-	-	-	-	-	-	64,142,668
Total all other governmental funds	209,105,437	235,711,042	175,026,161	203,742,111	196,294,860	214,712,948	213,893,664	406,330,422	522,622,774	359,353,438
Total Fund Balance	\$ 215,076,401	\$ 241,178,759	\$ 181,686,407	\$ 208,926,415	\$ 202,152,788	\$ 219,457,827	\$ 218,586,020	\$ 409,711,044	\$ 525,706,249	\$ 394,799,503

(1) Increased substantially in 2010 due to the issuance of general obligation bonds.

(2) Effective June 2011, the District implemented GASB statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. Please refer to the footnote section of the CAFR for more discussion and presentation.

Schedule of Changes in Net Assets
Last Ten Fiscal Years

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expense										
Governmental activities:										
Instruction	\$ 211,978,588	\$ 219,775,272	\$ 234,218,611	\$ 240,980,556	\$ 269,482,620	\$ 288,593,364	\$ 302,662,754	\$ 311,741,071	\$ 304,175,635	\$ 324,059,324
Student and instructional support	54,910,997	53,606,277	50,860,988	51,098,489	62,343,417	72,536,322	74,397,253	80,905,216	75,254,586	72,600,464
Administration	28,295,953	29,879,549	29,224,271	31,520,542	34,469,634	36,072,351	37,438,148	43,170,671	41,377,798	42,705,447
Operations and maintenance	43,457,070	45,970,178	43,922,430	51,708,259	59,667,037	61,284,641	66,225,149	72,110,571	66,482,872	65,617,612
Student transportation service	16,388,709	17,594,464	17,421,034	18,305,064	19,070,619	19,525,800	20,280,150	22,040,131	26,574,028	25,302,589
Nutrition services	13,049,730	15,408,607	15,483,096	16,080,432	17,459,840	17,218,179	17,608,651	19,661,902	19,199,980	18,782,975
Interest on long-term debt	9,672,074	11,964,370	12,121,322	13,191,484	13,483,218	12,964,777	12,305,156	12,530,101	22,752,909	24,252,596
Total primary government expenses	377,753,121	394,198,717	403,271,752	422,884,826	475,976,385	508,195,434	530,917,261	562,159,663	555,817,808	573,321,007
Program Revenues										
Governmental activities:										
Charges for services	3,542,372	3,554,012	4,222,455	1,934,840	2,313,309	740,390	1,696,780	2,020,077	2,216,342	1,964,420
Instruction	350,540	59,712	63,743	-	43,879	921,014	69,216	536,238	108,982	82,619
Student and instructional support	255,457	-	-	-	-	620,866	-	-	-	-
Operations and maintenance	4,085,612	3,825,379	3,331,399	3,479,329	3,684,387	3,729,021	3,795,630	3,936,241	3,564,996	3,126,797
Nutrition services	94,006,434	104,395,911	114,493,576	121,615,572	129,019,748	137,195,513	131,716,012	132,872,905	261,912,962	270,853,079
Operating grants and contributions	1,599,576	1,867,266	710,212	-	-	-	-	219,597	-	-
Capital grants and contributions	103,839,991	113,702,280	122,821,385	127,029,741	135,061,323	143,206,794	137,277,638	139,584,058	267,803,282	276,026,915
Total primary government program revenues	\$ (273,913,130)	\$ (280,496,437)	\$ (280,450,367)	\$ (295,855,085)	\$ (340,915,062)	\$ (364,988,640)	\$ (393,639,623)	\$ (422,575,605)	\$ (288,014,526)	\$ (297,294,092)
Net (Expense)/Revenue										
Total primary government net expense										
General Revenue and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes levied for general purposes	73,273,240	80,262,945	106,974,978	81,149,862	86,151,743	90,871,364	101,568,385	104,914,577	103,899,233	102,754,794
Property taxes levied for debt service	15,806,462	18,326,898	25,533,237	17,941,189	16,376,108	16,647,085	16,996,667	17,326,543	25,692,971	25,678,590
Property taxes levied for capital projects	8,857,645	9,202,973	19,008,993	16,726,684	18,172,469	19,015,981	20,070,805	20,528,768	20,263,062	19,758,213
State and federal aid not restricted to specific purposes	182,673,455	187,138,893	173,961,481	181,679,715	216,831,104	238,790,846	271,060,471	288,520,092	158,961,172	168,080,171
Earnings on investments	11,282,023	7,963,735	3,682,524	3,506,757	6,569,625	11,760,389	11,069,066	5,950,637	2,629,093	2,598,057
Sale of property	5,721,640	6,627,091	4,382,923	3,65,694	3,243,512	6,964,396	3,803,513	2,243,939	427,431	-
Miscellaneous	(633,396)	-	-	-	-	-	-	-	2,397,458	4,288,466
Special item - loss on the disposal of capital assets	296,981,069	309,522,535	333,554,136	301,369,901	347,344,561	384,050,061	424,568,907	440,004,148	314,270,420	323,138,291
Total primary government general revenue	\$ 23,067,939	\$ 29,026,098	\$ 53,103,769	\$ 5,514,816	\$ 6,429,499	\$ 19,061,421	\$ 30,929,284	\$ 17,428,543	\$ 26,255,894	\$ 25,844,199
Change in Net Assets										
Total primary government										

(1) The district's expenses for instruction have increased significantly in the last five years as a result of the Board initiative to reduce class size and to expand all-day kindergarten to all elementaries.
 (2) The district receives federal dollars for nine Title funding sources, special education, and other grants including the American Reinvestment and Recovery Act (ARRA) in 2010.
 (3) During 2004, the State of Kansas moved the ad valorem property tax distributions from July to June resulting in three major tax distributions in the 2004-05 fiscal year.
 (4) In 2004 the district approved a 5-year resolution to increase the Capital Outlay levy to 7 mills.
 (5) When the State changed the tax distribution dates for 2004 the amount of State aid distributed to schools was reduced.
 (6) Starting in FY 2011, state aid generated for At-Risk, bilingual, virtual, and special education formally reported in state aid not restricted to a specific purpose is reflected in operating grants and contributions.
 The FY 2010 has been restated for comparison purposes.

Net Assets By Component
Last Ten Fiscal Years

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities:										
Invested in capital assets, net of related debt	(1) \$ 129,817,612	\$ 145,315,985	\$ 164,059,705	\$ 154,106,269	\$ 154,197,454	\$ 161,312,922	\$ 187,115,043	\$ 196,865,922	\$ 217,714,525	\$ 243,866,697
Restricted for:										
Instruction and support services	(5) -	-	-	-	-	-	-	-	-	-
Capital projects	(5) 9,113,509	10,239,460	18,770,981	27,479,415	37,011,527	47,095,103	45,950,586	45,465,264	15,697,614	15,930,095
Debt service	(3) 6,148,624	9,823,416	17,124,778	17,632,788	17,008,732	17,141,033	17,740,086	22,024,806	42,982,926	39,494,516
Self-insurance claims	14,750,205	15,375,060	18,198,844	17,130,181	16,708,808	12,961,056	21,335,065	35,507,219	43,074,689	20,876,849
Special education	4,843,381	6,519,488	4,644,913	6,894,553	5,012,196	5,471,933	6,133,161	4,760,509	3,555,567	3,370,405
Nutrition services	6,562,167	6,171,970	5,641,843	5,928,234	6,023,978	6,804,350	7,752,836	7,991,437	9,407,307	10,284,378
Federal and state grant programs	(4) 2,277,530	3,363,445	4,135,241	3,690,735	3,780,053	6,869,432	4,169,193	3,708,684	2,288,903	1,823,584
Other	(6) 2,523,488	8,253,800	3,132,103	3,463,744	4,132,037	4,095,826	3,830,003	4,053,911	-	-
Unrestricted	(6) 2,523,488	8,253,800	3,132,103	3,463,744	4,132,037	4,095,826	3,830,003	4,053,911	-	-
Total primary government net activities	\$ 176,036,516	\$ 205,062,614	\$ 239,126,642	\$ 228,544,470	\$ 234,973,969	\$ 254,035,390	\$ 284,964,674	\$ 302,393,217	\$ 328,649,111	\$ 354,493,310

Notes: The district began to report accrual information when it implemented GASB Statement 34 in 2002.

- (1) In 2005, the district approved raising the capital assets capitalization limit to \$2,000 from \$600, which decreased assets. Increase in assets is due to finishing phases from the 2000 bond election and the start up projects for the 2008 bond election.
- (2) In 2004, the district approved to increase mill levy from 4 mills to 7 mills, this increase was to allow for additional support for bond projects and for support for on-going technology costs.
- (3) During 2009 and 2010, the district issued \$320 million in general obligation bonds authorized by the 2008 referendum.
- (4) The WATC program separated from the district as of June 30, 2004. The 2005 decrease reflects the loss of the Wichita Area Technical College Pell Grant.
- (5) Starting in 2004, the board approved two special levies to pay for costs related to bond projects. Those new levies were for special assessments and liability costs. The Board stopped levying a tax for the Special Assessments fund in 2005-06 and 2006-07 for the Special Liability fund as the cash balance in these funds was deemed adequate to meet expected spending requirements.
- (6) For 2011, the special assessments are included as capital projects and the special liability as instruction and support services. The 2010 year has been restated for comparison purposes. Funding of other Post Employee Benefits have increased unrestricted net assets.

STATE REVENUE BY SOURCE, GOVERNMENTAL FUNDS
Last Ten Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues:										
State School Aid	(4) \$ 171,954,724	\$ 179,306,234	\$ 162,195,471	\$ 161,219,001	\$ 182,991,040	\$ 191,116,443	\$ 195,068,882	\$ 194,862,053	\$ 155,681,924	\$ 161,195,704
Special education aid	28,566,947	29,342,050	28,323,979	27,720,358	30,496,167	32,233,561	38,155,049	39,141,960	36,851,423	38,145,500
State Intervention aid	(5) 8,327,079	9,049,464	9,844,856	10,139,216	21,941,855	41,507,058	55,346,409	67,786,840	68,579,121	69,893,955
KPERS	(1) -	-	-	11,684,394	14,136,316	17,573,703	20,741,982	22,980,806	23,560,267	26,198,202
New Facilities aid	-	1,532,838	6,649,768	9,146,425	8,269,648	4,690,629	5,497,687	6,745,967	2,831,488	1,686,611
Transportation aid	5,141,682	5,424,425	5,664,317	5,819,996	7,076,411	7,185,752	7,619,945	7,547,320	8,149,174	8,680,691
Bond and Interest State aid	4,548,479	4,429,968	5,495,146	4,752,976	5,015,699	5,276,907	5,534,460	5,702,065	7,503,304	9,885,746
Bilingual education aid	(6) 2,261,628	2,211,568	2,357,589	2,258,696	4,615,439	5,192,277	6,015,125	6,431,920	6,972,454	7,764,158
4-year old aid	2,414,880	2,758,182	3,086,537	3,132,893	3,643,992	3,943,408	3,941,734	4,105,200	3,839,235	3,763,772
Vocational education aid	2,631,213	2,694,443	2,587,437	2,603,276	3,429,439	3,543,350	3,528,068	3,352,800	3,047,114	2,970,073
Juvenile Detention Centers aid	869,100	683,025	780,326	764,874	810,344	1,085,906	872,176	721,600	1,144,338	1,073,505
Parents As Teachers aid	577,672	501,672	476,517	464,133	476,517	512,517	534,037	504,419	510,130	505,311
School food assistance aid	223,496	226,571	214,766	232,294	245,512	224,687	224,531	219,542	220,170	186,769
New Teacher Mentoring aid	-	-	-	-	199,000	119,650	154,200	181,300	163,950	136,010
State Safety aid	140,756	147,806	147,430	142,074	158,067	150,870	187,110	63,270	80,146	107,596
Professional Development aid	231,766	288,952	-	-	51,862	181,778	202,763	246,117	-	-
Unrestricted State Grant	-	-	-	-	50,315	1,126,662	530,491	241,483	402,287	174,017
WATC - Post Secondary aid	(3) 6,378,582	6,146,699	3,066,537	-	-	-	-	-	-	-
eSchool Virtual education aid	(2) -	-	-	-	-	-	-	1,004,960	1,287,852	1,775,587
Total revenues	\$234,268,004	\$244,743,897	\$230,890,676	\$240,080,606	\$283,607,623	\$315,665,158	\$344,154,649	\$361,839,622	\$320,824,377	\$334,143,207

- (1) State-funded retirement contributions were previously reflected in state financial statements.
- (2) State created new fund in 2008-09, previously included in General Fund state aid.
- (3) Wichita Area Technical College (WATC), in July 2004, separated from the district.
- (4) Increase in 2011 to partially offset loss of federal stimulus funds.
- (5) Increases reflect continual increase in low-income students, as well as, increased state support for 2006, 2007, and 2008 as a result of litigation.
- (6) Increase due to increasing population of non-English speaking students.

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

ASSESSMENT YEAR	FISCAL YEAR	REAL ESTATE		PERSONAL PROPERTY		UTILITIES	
		ASSESSED VALUE	ESTIMATED ACTUAL	ASSESSED VALUE	ESTIMATED ACTUAL	ASSESSED VALUE	ESTIMATED ACTUAL
2001	01-02	1,563,350,758	10,657,509,884	279,993,905	1,162,304,960	132,330,632	401,001,915
2002	02-03	1,635,462,610	11,114,475,807	278,026,049	1,154,322,620	119,231,687	361,308,142
2003	03-04	1,776,376,531	12,049,257,492	272,845,496	1,130,381,220	121,894,092	369,376,036
2004	04-05	1,837,435,115	12,519,819,150	269,403,548	1,113,964,990	125,301,859	379,702,603
2005	05-06	1,918,088,014	13,086,451,165	270,024,335	1,106,798,710	126,598,384	383,631,467
2006	06-07	2,036,564,191	13,855,902,336	277,058,468	1,131,552,250	115,268,505	349,298,500
2007	07-08	2,185,182,888	14,786,244,452	247,127,236 (1)	1,009,502,060	108,828,981	329,784,791
2008	08-09	2,322,494,446	15,642,326,869	221,441,353 (1)	902,729,020	103,994,384	315,134,497
2009	09-10	2,340,441,483	15,788,965,358	189,036,315 (1)	773,093,070	97,345,467	294,896,264
2010	10-11	2,369,941,222	15,823,685,924	167,746,866	701,387,620	96,351,614	291,974,588
		RATIO OF TOTAL ASSESSED TO TOTAL		RATIO OF TOTAL ASSESSED TO TOTAL		RATIO OF TOTAL ASSESSED TO TOTAL	
		TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL
ASSESSMENT YEAR (3)	FISCAL YEAR	ASSESSED VALUE	ESTIMATED ACTUAL	ESTIMATED ACTUAL	DIRECT TAX RATE		
2001	01-02	1,975,675,295	12,220,816,759	16.17%	54.926		
2002	02-03	2,032,720,346	12,630,106,569	16.09%	51.839		
2003	03-04	2,171,116,119	13,549,014,748	16.02%	51.408		
2004	04-05	2,232,140,522	14,013,486,743	15.93%	51.296		
2005	05-06	2,314,710,733	14,576,881,342	15.88%	51.300		
2006	06-07	2,428,891,164	15,336,753,086	15.84%	51.296		
2007	07-08	2,541,139,105	16,125,531,303	15.76%	53.238		
2008	08-09	2,647,930,183	16,860,190,386	15.71%	53.309		
2009	09-10	2,626,823,265	16,857,044,692	15.58%	56.850		
2010	10-11	2,634,039,702	16,817,048,132	15.66%	56.928		

Source: Sedgwick County Clerk
 (1) The state removed some personal property from the tax rolls

Statistical Section

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(Per \$1,000 of Assessed Value)
Last Ten Fiscal Years

COUNTY & CITY ASSESSMENT YEAR	FISCAL YEAR	GENERAL	SUPPL GENERAL	CAPITAL OUTLAY	BOND & INTEREST	ADULT ED.	SPECIAL ASSESSMENT	
	2001	01-02	20.000	23.002	4.000	7.701	0.223	0
	2002	02-03	20.000	18.885	4.000	8.038	0.493	0.423
	2003	03-04	20.000	14.547	7.000	7.904	0.500	0.385
	2004	04-05	20.000	16.257	6.990	6.974	0.499	0.209
	2005	05-06	20.000	17.679	7.000	6.007	0.500	0
	2006	06-07	20.000	18.341	7.000	5.955	0	0
	2007	07-08	20.000	20.356	7.000	5.882	0	0
	2008	08-09	20.000	20.411	7.000	5.898	0	0
	2009	09-10	20.000	20.439	7.000	9.411 (1)	0	0
	2010	10-11	20.000	20.482	7.015	9.431	0	0

STATE, COUNTY & CITY ASSESSMENT YEAR	FISCAL YEAR	SPECIAL LIABILITY (2)	TOTAL USD 259	WSU, STATE & COUNTY	CITY	TOTAL PROPERTY TAXES	
	2001	01-02	0	54.926	30.154	31.474	116.554
	2002	02-03	0	51.839	30.276	31.845	113.960
	2003	03-04	1.072	51.408	30.322	31.905	113.635
	2004	04-05	0.367	51.296	30.263	31.828	113.387
	2005	05-06	0.114	51.300	30.258	31.898	113.456
	2006	06-07	0	51.296	30.263	31.828	113.387
	2007	07-08	0	53.238	32.815	31.953	118.006
	2008	08-09	0	53.309	31.877	32.056	117.242
	2009	09-10	0	56.850	31.368	32.142	120.360
	2010	10-11	0	56.928	30.859	32.272	120.059

Sources: Sedgwick County Clerk

USD 259 rates from the District Adopted Budgets

(1) In April 2008, the community approved a \$370 million bond issue.

(2) District levied taxes in 2003, 2004, and 2005 for the purpose of funding district liability costs including cleanup of underground water pollution.

**Principal Property Tax Payers
Current Year and Nine Years Ago
For the Year Ended December 31**

TAXPAYER (1)	2001		2010 (2)	
	TAXABLE ASSESSED VALUATION	PERCENT OF TOTAL ASSESSED VALUATION (1) Rank	TAXABLE ASSESSED VALUATION	PERCENT OF TOTAL ASSESSED VALUATION (1) Rank
Cessna Aircraft Co.	\$ 19,123,393	4	0.97%	\$ 35,142,411 1 1.33%
Hawker Beechcraft Corp. (3) (5)	NA	-	-	33,004,976 2 1.25%
Kansas Gas & Elec-A Western Resources	41,179,877	1	2.08%	29,124,854 3 1.11%
Wesley Medical Center LLC	17,730,278	6	0.90%	27,200,439 4 1.03%
Southwestern Bell Telephone	35,180,337	2	1.78%	25,201,200 5 0.96%
Simon Property Group	17,992,739	5	0.91%	23,789,066 6 0.90%
Kansas Gas Service	9,733,873	9	0.49%	18,647,376 7 0.71%
Sedgwick County (4)	NA	-	-	8,148,455 8 0.31%
City of Wichita (4)	NA	-	-	6,358,630 9 0.24%
IPC Wichita Properties (4)	NA	-	-	5,158,100 10 0.20%
Raytheon Aircraft Company (3) (5)	19,168,904	3	0.97%	N/A - -
Builders, Inc. (5)	5,573,993	10	0.28%	N/A - -
Towne West Square LLC (5)	10,910,452	8	0.55%	N/A - -
Koch Industries, Inc. (5)	11,049,223	7	0.56%	N/A - -
Total	\$ 187,643,069		9.50%	\$ 211,775,507 8.04%

Source: Sedgwick County Comprehensive Annual Financial Report.

(1) Total assessment per Sedgwick County Clerk: \$2,634,039,702 Fiscal Year 2010 and \$1,975,675,295 Fiscal Year 2001.

(2) Data for 2011 is not available until December.

(3) Hawker Beechcraft Corporation's property was formally owned by Raytheon Aircraft Company.

(4) Taxpayer was not included in Top 10 in 2001.

(5) Taxpayer was not included in Top 10 in 2010.



**PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years**

ASSESSMENT YEAR	COLLECTION YEAR	TOTAL TAX LEVY (1)	CURRENT TAX COLLECTIONS (2)	PERCENT OF LEVY COLLECTED
2001	2002	102,673,868	98,061,850	95.51%
2002	2003	99,561,740	95,503,102	95.92%
2003	2004	105,394,232	100,876,885	95.71%
2004	2005	107,582,230	103,354,047	96.07%
2005	2006	112,246,319	107,905,865	96.13%
2006	2007	118,198,390	114,338,778	96.73%
2007	2008	128,846,365	121,305,025	94.15%
2008	2009	134,711,446	127,433,823	94.60%
2009	2010	142,023,772	136,588,211	96.17%
2010	2011	144,795,259	131,833,799 (5)	91.05% (5)

ASSESSMENT YEAR	COLLECTION YEAR	DELINQUENT TAX COLLECTIONS (2) (3)	TOTAL TAX COLLECTED	PERCENT OF TOTAL TAX COLLECTED TO LEVY
2001	2002	1,579,207	99,641,057	97.05%
2002	2003	2,683,480	98,186,582	98.62%
2003	2004	2,328,096	103,204,981	97.92%
2004	2005	2,125,466	105,479,513	98.05%
2005	2006	2,408,840	110,314,705	98.28%
2006	2007	2,705,282	117,044,060	99.02%
2007	2008	3,154,760	124,459,785	96.60%
2008	2009	3,736,413	131,170,236	97.37%
2009	2010	2,284,364	138,872,575	97.78%
2010	2011	N/A (4)	N/A (4)	N/A

(1) Source: Sedgwick County Treasurer and State Budgeting Forms.

(2) Source: District Report of Revenues and Tax Year Report.

(3) Delinquent tax collections include taxes from prior year assessments. A breakdown by assessment year is not available from the County.

(4) Information was not applicable at the time of publication.

(5) Reflects 2011 calendar year taxes collected through fiscal year-end June 30, 2011, only.

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT
For the Year Ended June 30, 2011**

<u>GOVERNMENT UNITS</u>	<u>PRINCIPAL AMOUNT OF DEBT OUTSTANDING</u>	<u>PERCENTAGE APPLICABLE TO TAXPAYERS OF USD 259 (3)</u>	<u>TOTAL DIRECT AND OVERLAPPING DEBT</u>
Sedgwick County	73,935,000 (1)	100.00%	\$73,935,000
City of Wichita	416,784,356 (1)	83.62%	<u>348,515,078</u>
Sub-total			422,450,078
USD 259	476,480,000	73.00% (2)	<u>347,830,400</u>
Total Direct and Overlapping Debt			<u><u>\$770,280,478</u></u>

Source: Sedgwick County Clerk

(1) As of December 31, 2010

(2) The State of Kansas is obligated to pay 27 percent of the principal and interest payments based on current legislation.

(3) Source: Sedgwick County Clerk

Statistical Section

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
Last Ten Fiscal Years**

ASSESSMENT YEAR	FISCAL YEAR	POPULATION (1)	TOTAL DISTRICT ENROLLMENT (2)	TOTAL ASSESSED VALUE	GENERAL OBLIGATION DEBT (3)	PERCENTAGE OF PERSONAL INCOME
2001	01-02	347,956	49,147	1,975,675,295	177,210,000	1.62%
2002	02-03	346,664	48,962	2,032,720,346	264,345,000	2.72%
2003	03-04	354,617	49,065	2,171,116,119	252,705,000	2.36%
2004	04-05	353,823	48,818	2,232,140,522	311,260,000	3.94%
2005	05-06	354,865	48,865	2,314,710,733	300,585,000	3.69%
2006	06-07	357,698	48,770	2,428,891,164	289,120,000	3.56%
2007	07-08	361,016	48,705	2,541,139,105	276,855,000	3.07%
2008	08-09	356,564	49,146	2,647,930,183	452,040,000	5.31%
2009	09-10	359,306	50,042	2,626,823,265	570,600,000	6.28%
2010	10-11	383,142	50,103	2,630,077,764	514,270,000	5.75%

ASSESSMENT YEAR	FISCAL YEAR	DEBT SERVICE FUNDS AVAILABLE (3)	NET BONDED DEBT	RATIO OF NET BONDED DEBT TO ASSESSED VALUE	NET BONDED DEBT PER CAPITA	NET BONDED DEBT PER PUPIL
2001	01-02	9,155,670	250,667,924	12.69%	720	5,100
2002	02-03	13,677,076	231,891,478	11.41%	669	4,736
2003	03-04	20,813,522	221,986,478	10.22%	626	4,524
2004	04-05	97,608,620	213,651,380	9.57%	604	4,376
2005	05-06	94,808,822	205,776,178	8.89%	580	4,211
2006	06-07	94,613,325	194,506,675	8.01%	544	3,988
2007	07-08	96,159,334	180,695,666	7.11%	501	3,710
2008	08-09	100,863,825	351,176,175	13.26%	985	7,146
2009	09-10	102,322,804	468,277,196	17.83%	1,303	9,358
2010	10-11	64,142,668	450,127,332	17.11%	1,175	8,984

(1) Wichita Planning Commission - City of Wichita population; WSU Center for Economic Development Claritas Report (Estimate); 2004 - US Census Bureau, Population Division - Annual Estimates of Population for Incorporated Places in Kansas information date July 1, 2004.

(2) USD 259 Pupil Accounting - 9/20 Official Enrollment Report

(3) Audited Financial Statements

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL CURRENT GOVERNMENTAL EXPENDITURES
Last Ten Fiscal Years

FISCAL YEAR	PRINCIPAL	INTEREST AND FISCAL CHARGES	TOTAL DEBT SERVICE (1)	TOTAL CURRENT GOVERNMENTAL EXPENDITURES (2)		RATIO OF DEBT SERVICE TO TOTAL GENERAL EXPENDITURES
01-02	12,458,000	8,012,830	20,470,830	356,651,818		5.62%
02-03	7,695,000	10,950,260	18,645,260	368,235,251		5.16%
03-04	11,640,000	12,251,938	23,891,938	380,697,123		6.19%
04-05	9,905,000	11,699,438	21,604,438	385,070,573		5.73%
05-06	10,675,000	13,956,286	24,631,286	427,160,079		5.77%
06-07	11,465,000	13,860,796	25,325,796	461,551,330		5.49%
07-08	12,264,999	13,211,519	25,476,518	502,103,024		5.07%
08-09	13,075,000	12,543,847	25,618,847	581,738,585		4.40%
09-10	13,955,000	21,802,132	35,757,132	595,798,321		6.00%
10-11	20,110,000	27,928,465	48,038,465	522,973,239		9.19%

Source: USD 259 Audited Financial Statements

(1) Fund included: Debt Service

(2) Funds included: all governmental funds (prior to 01-02). With the implementation of GASB 34 as of June 30, 2002, the information for this schedule was obtained from the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

Statistical Section

**DEMOGRAPHIC STATISTICS
Last Ten Fiscal Years**

CALENDAR YEAR	FISCAL YEAR	CITY OF WICHITA POPULATION (1)	WICHITA PER CAPITA INCOME (1)	WICHITA TOTAL PERSONAL INCOME	CITY OF WICHITA MEDIAN AGE (1)	USD 259 ENROLLMENT (3)
2001	01-02	347,956	31,467	10,949,131,452	32.1	49,147
2002	02-03	346,664	28,000	9,706,592,000	33.7	48,962
2003	03-04	354,617	30,226	10,718,653,442	33.9	49,065
2004	04-05	353,823	22,336	7,902,990,528	34.0	48,818
2005	05-06	354,865	22,947	8,143,087,155	34.2	48,989
2006	06-07	357,698	22,734	8,131,906,332	34.8	48,818
2007	07-08	361,016	24,980	9,018,179,680	35.0	48,705
2008	08-09	356,564	23,866	8,509,756,424	34.5	49,146
2009	09-10	359,306	25,288	9,086,130,128	34.5	50,042
2010	10-11	383,142	23,339	8,942,151,138	33.9	50,103

CALENDAR YEAR	FISCAL YEAR	WICHITA TAXABLE RETAIL SALES (4)	WICHITA ELECTRICITY CONSUMED IN KILOWATT HOURS (4)	WICHITA MID-CONTINENT AIRPORT ACTIVITY (4) AIR PASSENGERS INBOUND	AIR PASSENGERS OUTBOUND	CITY OF WICHITA UNEMPLOYMENT RATE (2)
2001	01-02	6,851,600,145	5,997,196,000	565,498	563,883	4.5%
2002	02-03	6,844,651,870	5,843,666,000	666,437	670,833	7.0%
2003	03-04	6,529,805,447	5,829,362,000	712,020	717,741	7.9%
2004	04-05	6,866,031,289	5,875,549,000	749,333	749,416	6.8%
2005	05-06	6,176,332,549	6,161,594,000	744,227	742,363	6.1%
2006	06-07	7,361,051,852	6,149,132,000	733,712	726,619	5.1%
2007	07-08	7,621,333,028	6,243,092,000	800,694	795,535	4.6%
2008	08-09	8,557,246,952	6,120,668,000	813,789	805,286	5.4%
2009	09-10	8,089,220,445	5,735,691,000	759,324	746,283	7.6%
2010	10-11	8,069,669,284	6,171,034,000	776,787	772,608	8.5%

(1) 2010, Bureau of the Census Report (Estimated)

(2) Kansas Department of Labor website

(3) USD 259 Pupil Accounting - 9/20 Official Enrollment Report.

(4) Wichita State University Center for Economic Development & Business Research, figures for the Wichita Metropolitan Statistical Area

Statistical Section

PRINCIPAL EMPLOYERS
For the Year Ended December 31

Employer	2001			2010 (2)		
	Full-Time Civilian Employees	Rank	Percentage of Total Wichita MSA (1)	Full-Time Civilian Employees	Rank	Percentage of Total Wichita MSA (1)
Spirit AeroSystems, Inc. (4)	-	-	-	10,300	1	3.59%
Cessna Aircraft Company	11,165	2	4.10%	6,193	2	2.16%
Unified School District #259	4,955	4	1.82%	5,420	3	1.89%
Via Christi Health System	3,283	7	1.21%	5,276	4	1.84%
Hawker Beechcraft (3)	-	-	-	5,000	5	1.74%
State of Kansas	4,910	5	1.80%	3,759	6	1.31%
City of Wichita	3,006	8	1.10%	3,184	7	1.11%
Sedgwick County	2,343	10	-	2,913	8	1.01%
Boeing Defense, Space & Security (4)	-	-	-	2,300	9	0.80%
Koch Industries	-	-	-	2,162	10	0.75%
Boeing Company (4)	17,300	1	6.35%	-	-	-
Raytheon Aircraft Corporation (3)	9,200	3	3.38%	-	-	-
Bombardier Aerospace Learjet, Inc.	3,900	6	1.43%	-	-	-
Dillons Food Stores	2,660	9	0.98%	-	-	-
Totals	62,722		22.17%	46,507		16.20%

Source: Sedgwick County Comprehensive Annual Financial Report

Note: MSA - Metropolitan Statistical Area

(1) Includes Sedgwick, Butler, Harvey and Sumner counties for 2010. Data for 2001 includes Sedgwick, Butler and Harvey counties.

(2) Data for 2011 is not available until December

(3) Hawker Beechcraft formally owned by Raytheon Aircraft Corporation.

(4) Spirit AeroSystems, Inc. formally owned by Boeing.



Statistical Section

MISCELLANEOUS STATISTICS Ten Year Comparison

Date established as Unified School District 259
Geographical Area
Form of Organization
Accreditation

July 1, 1965
152 square miles
7 member board
Kansas State Department of Education

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
STUDENT DATA										
Elementary school enrollment	23,878	23,754	23,754	23,921	24,047	24,271	24,348	24,926	25,290	25,355
Middle school enrollment	10,356	10,340	10,340	10,243	10,198	9,921	9,730	9,588	9,844	9,951
High school enrollment	13,079	12,697	12,697	12,686	12,823	12,763	12,766	12,771	12,627	12,493
Alternative and special school enrollment	1,834	2,418	2,274	1,968	1,797	1,815	1,861	1,797	2,281	2,234
Percent of seniors graduating	63.6%	71.5%	69.1%	75.1%	77.6%	76.4%	79.4%	77.5%	80.1%	63.1%
Average daily attendance	92.7%	92.7%	92.7%	93.2%	94.3%	93.8%	94.0%	94.3%	93.9%	94.3%
Days school in session	178	178	178	178	173	173	173	173	171	167
Composite ACT scores	20.5	20.6	20.6	20.4	20.3	20.6	20.7	20.4	19.8	19.8
Wichita Area Technical College enrollment (10)	(1) 14,064	14,082	12,409	N/A	N/A	N/A	N/A	N/A	N/A	N/A
STUDENT/TEACHER RATIOS										
Elementary school	21.1	23.0	21.4	21.5	21.3	21.6	21.0	21.0	20.8	20.6
Middle school	17.1	18.1	19.6	19.3	19.2	18.2	13.1	13.1	13.3	13.4
High school	19.3	21.5	24.3	21.9	23.7	22.3	21.8	21.7	21.5	15.2
RACIAL AND ETHNIC PERCENTAGES OF STUDENTS										
African-American	23.5%	23.6%	23.0%	22.4%	21.5%	20.9%	20.1%	19.9%	19.5%	19.2%
Asian	5.5%	5.5%	5.2%	5.1%	5.1%	5.1%	5.0%	5.3%	4.9%	4.8%
Hispanic	17.0%	18.4%	19.1%	20.1%	21.1%	22.3%	22.2%	23.8%	28.1%	29.6%
Native American-Indian	2.6%	2.7%	2.6%	2.6%	2.6%	2.7%	2.6%	2.5%	1.7%	1.6%
Native Hawaiian	-	-	-	-	-	-	-	-	0.2%	0.1%
Multi Racial	-	-	2.6%	4.5%	4.4%	7.6%	9.8%	10.2%	7.5%	8.0%
White or other	51.4%	49.8%	47.5%	45.3%	45.3%	41.4%	40.3%	38.3%	38.1%	36.7%
MALE/FEMALE PERCENTAGES OF STUDENTS										
Male	51.3%	51.0%	51.1%	51.1%	50.9%	50.8%	53.0%	51.0%	51.1%	51.2%
Female	48.7%	49.0%	48.9%	48.9%	49.1%	49.2%	47.0%	49.0%	48.9%	48.8%
EMPLOYEES										
Instruction	4,620	4,672	4,751	4,885	5,124	5,354	5,545	5,619	5,652	5,680
Instructional Support	115	115	105	100	104	111	127	128	117	84
Operations	866	872	854	877	922	928	918	924	910	899
Other Commitments/Capital Projects	81	83	83	83	87	87	87	90	95	95
Leadership	17	17	18	16	18	18	22	23	23	17
FOOD SERVICE										
Breakfasts served	1,654,474	1,634,237	1,477,835	1,490,470	1,525,797	1,475,302	1,516,643	1,569,190	1,565,019	1,645,664
Lunches served	4,469,002	4,588,623	4,771,525	4,832,445	4,999,513	4,993,009	5,029,026	5,264,881	5,339,748	5,336,254
LATCHKEY CENTERS (2)	(3) 32	35	34	39	39	43	43	44	45	45
CHILD DEVELOPMENT CENTERS	(4) 11	10	10	10	10	10	10	10	10	9
ATTENDANCE CENTERS AND OTHER DISTRICT BUILDINGS										
Elementary schools	59	59	59	57	57	57	57	58	58	56
Middle schools	(5) 16	17	17	16	16	17	17	17	17	18
High schools	12	11	11	11	11	11	11	11	11	10
Alternative and special schools	10	15	15	16	16	16	16	16	16	16
Other buildings	(6) 12	12	12	13	15	15	12	12	12	12

(1) WATC no longer a part of USD 259. Information obtained from the Board of Regents web site.

(2) Also known as School Age Program Centers.

(3) Latchkey centers run by USD 259. Information provided by Wichita Public Schools.

(4) Dunbar Child Development Center closed during the end of 2001-2002 school year.

(5) Longfellow closed in FY 04-05, provided by Wichita Public School Facilities Office.

(6) Kellogg, South Hillside and Funston properties were sold during FY08

**OPERATING STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Current Operating Expenses	Enrollment	Enrollment		Student Attendance Percentage	At-Risk Enrollment	Bilingual Enrollment	Special Education Enrollment
			Percentage Change of Base Year	Enrollment				
2002	356,651,818	49,147	N/A	92.7%	21,517	4,592	8,325	
2003	368,235,251	49,007	99.72%	92.7%	23,426	4,903	8,493	
2004	380,697,123	49,065	99.83%	92.7%	25,485	5,111	8,594	
2005	385,070,573	48,818	99.33%	93.2%	26,247	5,342	8,687	
2006	427,160,079	48,865	99.43%	94.3%	26,706	5,448	8,571	
2007	461,551,330	48,770	99.23%	93.8%	26,398	5,573	8,251	
2008	502,103,024	48,705	99.10%	94.0%	26,654	6,079	7,853	
2009	524,395,776	49,146	100.00%	94.3%	27,464	6,574	7,679	
2010	515,619,478	50,042	101.82%	93.9%	30,416	7,309	7,703	
2011	522,973,239	50,033	101.80%	94.3%	31,668	7,850	6,537	

Teacher Salary Schedule
2010-2011

Initial Placement	Step	BA Degree		BA+ 10 Gr.		BA+ 20 Gr.		BA+ 30 Gr.		MA+ Degree	MA+ 10 Gr.		MA+ 20 Gr.		MA+ 30 Gr.		Ed. Sp. or MA+ 40 Gr.		Ed. Sp. or MA+ 50 Gr.		Ed. Sp.+ 60 Gr.		Eamed Doctorate	
		Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours		Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours		Hours
0	2	37,998	38,517	39,036	39,555	40,074	40,593	41,112	41,631	42,150	42,669	43,188	43,707	44,226	44,745	45,264	45,783	46,302	46,821	47,340	47,859	48,378	48,897	43,999
1	3	38,911	39,430	39,949	40,488	41,027	41,566	42,105	42,644	43,183	43,722	44,261	44,800	45,339	45,878	46,417	46,956	47,495	48,034	48,573	49,112	49,651	50,190	45,205
2	4	39,824	40,343	40,862	41,381	41,900	42,419	42,938	43,457	43,976	44,495	45,014	45,533	46,052	46,571	47,090	47,609	48,128	48,647	49,166	49,685	50,204	50,723	46,411
3	5	40,737	41,256	41,775	42,294	42,813	43,332	43,851	44,370	44,889	45,408	45,927	46,446	46,965	47,484	48,003	48,522	49,041	49,560	50,079	50,598	51,117	51,636	47,617
4	6	41,650	42,169	42,688	43,207	43,726	44,245	44,764	45,283	45,802	46,321	46,840	47,359	47,878	48,397	48,916	49,435	49,954	50,473	50,992	51,511	52,030	52,549	48,823
5	7	42,563	43,082	43,601	44,120	44,639	45,158	45,677	46,196	46,715	47,234	47,753	48,272	48,791	49,310	49,829	50,348	50,867	51,386	51,905	52,424	52,943	53,462	50,029
6	8	43,476	43,995	44,514	45,033	45,552	46,071	46,590	47,109	47,628	48,147	48,666	49,185	49,704	50,223	50,742	51,261	51,780	52,299	52,818	53,337	53,856	54,375	51,235
7	9	44,390	44,908	45,427	45,946	46,465	46,984	47,503	48,022	48,541	49,060	49,579	50,098	50,617	51,136	51,655	52,174	52,693	53,212	53,731	54,250	54,769	55,288	52,441
8	10	45,304	45,822	46,340	46,859	47,378	47,897	48,416	48,935	49,454	49,973	50,492	51,011	51,530	52,049	52,568	53,087	53,606	54,125	54,644	55,163	55,682	56,201	53,647
9	11	46,218	46,736	47,253	47,772	48,291	48,810	49,329	49,848	50,367	50,886	51,405	51,924	52,443	52,962	53,481	53,999	54,518	55,037	55,556	56,075	56,594	57,113	54,853
10	12	47,132	47,650	48,169	48,688	49,207	49,726	50,245	50,764	51,283	51,802	52,321	52,840	53,359	53,878	54,397	54,916	55,435	55,954	56,473	56,992	57,511	58,030	56,059
11	13	48,046	48,564	49,103	49,622	50,141	50,660	51,179	51,698	52,217	52,736	53,255	53,774	54,293	54,812	55,331	55,850	56,369	56,888	57,407	57,926	58,445	58,964	57,265
12	14	48,960	49,478	50,017	50,536	51,055	51,574	52,093	52,612	53,131	53,650	54,169	54,688	55,207	55,726	56,245	56,764	57,283	57,802	58,321	58,840	59,359	59,878	58,471
13+	15	49,874	50,392	50,930	51,449	51,968	52,487	53,006	53,525	54,044	54,563	55,082	55,601	56,120	56,639	57,158	57,677	58,196	58,715	59,234	59,753	60,272	60,791	59,677

Source: Agreement between Board of Education, Unified School District No. 259, Sedgwick County State of Kansas and United Teachers of Wichita

Each teacher employed by the Board shall be compensated for the professional services which he/ she renders during the professional days for the term of a contract year. This compensation shall be termed salary and the amount of such salary each teacher

A fractional part of a year's service shall be paid on the basis that the number of contract days worked bears to the total number of contract days in the contract year.

The base contract salary shall be prorated for any teacher who teaches less than full time.

The 2010-11 salary schedule did not change from 2009-10.

Statistical Section

Supplemental Salary Schedule 2010-11

Supplemental Level A	2010-11 Annual Amount	Supplemental Level B	2010-11 Annual Amount	Supplemental Level C	2010-11 Annual Amount
Untitled Level A	1,330	Untitled Level B	2,090	Untitled Level - C	2,850
All City Music Leader	1,330	Acad Core Team Ldr 3-4 - Midd	2,090	Acad Core Tm Ldr 5 & above Mid	2,850
Area Music Leader - Elementary	1,330	Academy Leader	2,090	Academic Bowl Sponsor - High	2,850
Asst Band	1,330	Athletic Coordinator - Middle	2,090	AVID District Coordinator	2,850
Before School Supervisor	1,330	AVID Site Coordinator	2,090	Cheerleader Head Sponsor High	2,850
Class Head Sponsor - High	1,330	AYP LA/Math Contact	2,090	Detention Rm Monitor-Mid or Hi	2,850
Elementary Chair 4 or more	1,330	Bus Monitor	2,090	Forensic Coach - High	2,850
Exploratory Team Leader - Midd	1,330	Drama Production Middle	2,090	Intensive Support Team	2,850
Extended School Year Team	1,330	Hallway Supervision Lunch	2,090	Newspaper Head Sponsor - High	2,850
EC Event/Club Sponsor - A	1,330	Instrumental Music Leader Midd	2,090	Peer Consultant - Gov Bd Membr	2,850
Flag Team/Color Guard Supervisor	1,330	Intervention Tutor - B	2,090	Pom Pon Head Sponsor - High	2,850
Future Educators Club Sponsor	1,330	Intramural Activity - High	2,090	School to Work Academy Leader - High	2,850
Grade Level Lead	1,330	Leadership Sponsor - JROTC Middle	2,090	Social Worker Ldr 3 & above	2,850
Honor Society Sponsor	1,330	Yearbook Head Sponsor-Middle	2,090	Student Council Hd Spons High	2,850
Intervention Tutor - A	1,330	National Academic League Sponsor	2,090	Teacher In Charge	2,850
Lead Teachers - Secondary	1,330	Pep Club Sponsor - High	2,090	PEP Grant Physical Activity Secondary	2,850
Intramural Activity - Middle	1,330	Safety Patrol Sponsor - Elem	2,090		
School Improvement Team	1,330	School Improvement Leader	2,090		
Science Olympiad Coach	1,330	Student Council Sponsor - Midd	2,090		
Shared Inquiry Coach	1,330	Vocal Music Leader - Middle	2,090		
Spirit Club Sponsor - Middle	1,330	EC School Wide Publications/Website Editor - B	2,090		
EC School Wide Publications/Website Editor - A	1,330	EC Event/Club Sponsor - B	2,090		
Family Engagement Contact	1,330				
Circle of Friends Program	1,330				
Vertical Team Leader	1,330				
Career/Technical Support Org	1,330				
Level D		Level E		Level F	
Untitled Level - D	3,610	Untitled Level - E	4,370	Untitled Level - F	5,130
Activity Bus Monitor	3,610	Department Chair 3-6 - High	4,370	After School Program Supervisor	5,130
Debate Coach - High	3,610	Head Counselor - High	4,370	Elementary Truancy Specialist	5,130
Drama Activities Leader - High	3,610	Head Library Media Spec - High	4,370	Instrumental Music Leader High	5,130
Site Technology Specialist - D	3,610	In-Service Presenter	4,370	Junior Reserve Officer - Commissioned - High	5,130
Yearbook Sponsor - High	3,610	Lunchroom Monitor	4,370		
		Site Technology Specialist - E	4,370		
		Ticket Specialist - High	4,370		
		Vocal Music Leader - High	4,370		
Level G		Level H		Level I	
Untitled Level - G	5,890	Untitled Level - H	6,650	Untitled Level - I	7,410
Department Chair 7-8 - High	5,890			Department Chair 9-17 - High	7,410
Junior Reserve Officer - Non-Commissioned - High	5,890			District Curriculum Designer	7,410
Strategic Intervention Trainer	5,890				
Level J		Level J cont.		Level J cont.	
Untitled Level - J	8,170	Head Volleyball - High	3,478	Asst Softball - High	2,219
Dept Chair 18 & above - High	8,170	Head Wrestling - High	4,561	Asst Swimming - High	2,323
Peer Consultant - Teacher	8,170	Head Bowling - High	2,311	Asst Tennis - High	1,582
Head Baseball - High	3,698	MS Head Basketball	3,145	Asst Track - High	2,928
Head Basketball - High	6,315	MS Head Track	2,767	Asst Volleyball - High	2,087
Head Cross Country - High	2,952	MS Head Volleyball	2,262	Asst Wrestling - High	2,737
Head Football - High	6,315	MS Head Cross Country	1,587	Asst Bowling - High	1,386
Head Golf - High	2,548	Asst Baseball - High	2,219	MS Asst Basketball	1,887
Head Gymnastics - High	4,105	Asst Basketball - High	3,789	MS Asst Track	1,660
Head Soccer - High	3,698	Asst Cross Country - High	1,771	MS Asst Volleyball	1,357
Head Softball - High	3,698	Asst Football - High	3,789	MS Asst Cross Country	952
Head Swimming - High	3,871	Asst Golf - High	1,529	Athletic Coordinator	8,892
Head Tennis - High	2,636	Asst Gymnastics - High	2,463		
Head Track - High	4,880	Asst Soccer - High	2,219		

Source: Agreement between Board of Education, Unified School District No. 259, Sedgwick County State of Kansas and United Teachers of Wichita

The term "supplemental salary" shall refer to payment for the assigned, accepted, and performed services under a supplemental contract as set forth on this page.

The 2010-11 Supplemental Salary Schedule did not change from 2009-10.

Statistical Section

DISTRICT FEEDER PROGRAM

The district schools are organized into units called high school feeder systems. Students move from the elementary school to middle school and on to the high school located in their neighborhoods.

East High School Feeder System:	
Number of buildings in the feeder pattern: 14	
Average school building age: 51 years	
	<u>Students</u>
East High	2,266
Jardine Middle	324
Mead Middle	520
Robinson Middle	767
Gordon Parks Academy (K-8)	366
Adams Elementary	410
Anderson Elementary	511
College Hill Elementary	387
Colvin Elementary	903
Griffith Elementary	511
Hyde Elementary	296
Linwood Elementary	509
Spaght Elementary	377
Washington Elementary	622

North High School Feeder System:	
Number of buildings in the feeder pattern: 13	
Average school building age: 71 years	
	<u>Students</u>
North High	1,960
Hadley Middle	857
John Marshall Middle	529
Pleasant Valley Middle	590
Black Elementary	316
Bryant Core Knowledge Magnet	368
Cloud Elementary	853
Horace Mann Elementary	419
Irving Elementary	548
OK Elementary	231
Park Elementary	483
Pleasant Valley Elementary	391
Riverside Cultural Arts & History	246
Woodland Health & Wellness	234

West High School Feeder System:	
Number of buildings in the feeder pattern: 10	
Average school building age: 74 years	
	<u>Students</u>
West High	1,185
Hamilton Middle	480
Dodge Elementary	459
Franklin Elementary	351
Gardiner Elementary	486
Harry Street Elementary	354
Lawrence Elementary	443
Lincoln Elementary	319
Payne Elementary	302
Stanley Elementary	448

Southeast High School Feeder System:	
Number of buildings in the feeder pattern: 12	
Average school building age: 50 years	
	<u>Students</u>
Southeast High	1,646
Blackbear Bosin Academy	69
Coleman Middle	632
Curtis Middle	656
Allen Elementary	540
Beech Elementary	524
Caldwell Elementary	501
Clark Elementary	351
Jefferson Elementary	461
Minneha Core Knowledge Magnet	641
Price-Harris Communications Magnet	428
Seltzer Elementary	619

Heights High School Feeder System:	
Number of buildings in the feeder pattern: 10	
Average school building age: 38 years	
	<u>Students</u>
Heights High	1,558
Stucky Magnet Middle	746
Buckner Performing Arts Magnet	388
Chisholm Trail Elementary	550
Earhart Environmental Magnet	389
Gammon Elementary	528
Jackson Elementary	441
L'Ouverture Computer Technology	365
McLean Science/Technology	291
Mueller Elementary	489

South High School Feeder System:	
Number of buildings in the feeder pattern: 7	
Average school building age: 46 years	
	<u>Students</u>
South High	1,501
Truesdell Middle	803
Cessna Elementary	407
Enterprise Elementary	458
Kelly Liberal Arts Academy Elementary	518
White Elementary	595
Woodman Elementary	740

Northwest High School Feeder System:	
Number of buildings in the feeder pattern: 6	
Average school building age: 53 years	
	<u>Students</u>
Northwest High	1,498
Wilbur Middle	939
Benton Elementary	374
Kensler Elementary	630
McCullom Elementary	410
Peterson Elementary	423

Special Education Schools:	
Number of buildings: 5	
Average school building age: 43 years	
	<u>Students</u>
Chisholm Life Skills Center	94
Greiffenstein Special Education Center	44
Levy Special Education Center	78
Sowers Special Education Center	75
Wells Alternative Center	39

Magnet Schools:	
Number of buildings: 10	
Average school building age: 51 years	
	<u>Students</u>
Northeast High	584
Allison Traditional Magnet Middle	523
Brooks Magnet Middle	630
Mayberry Traditional Magnet Middle	625
Horace Mann Magnet (K-8)	168
Bostic Traditional Magnet Elementary	292
Cleveland Traditional Magnet Elementary	291
Emerson Elementary	232
Isley Elementary	229
Lewis Open Magnet Elementary	214

Alternative High Schools:	
Number of buildings: 4	
	<u>Students</u>
Metro-Boulevard High	139
Metro-Meridian High	142
Learning Centers/Other Sites	1,463

Early Childhood Education Schools:	
Number of buildings: 3	
Average school building age: 49 years	
	<u>Students</u>
Little Early Childhood Center	441

Other District Buildings:	
Number of buildings: 4	
Alvin E. Morris Administrative Building	
Joyce Focht Instructional Support Center Building	
Management Information Systems Building	
School Service Center	

NOTE: Information provided by the Wichita Public Schools Student Enrollment Office.

Total: 50,033



WICHITA
PUBLIC SCHOOLS

The Wichita Public Schools does not discriminate on the basis of race, color, ancestry, national origin, religion, sex, disability, age, veteran status, or any other legally protected classification. Persons having inquiries may contact the School District's Title IX Director/ADA/Section 504 Coordinator for adults at (316) 973-4420, or Section 504 Coordinator for students at (316) 973-4650, 201 N. Water, Wichita, KS 67202.

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