

UNIFIED SCHOOL DISTRICT NO. 281

Hill City, Kansas

Audit Report

July 1, 2010 to June 30, 2011

MAPES & MILLER

Certified Public Accountants

Hill City, Kansas

UNIFIED SCHOOL DISTRICT NO. 281

Hill City, Kansas

Audit Report

July 1, 2010 to June 30, 2011

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MAPES & MILLER

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Unified School District No. 281
Hill City, Kansas 67642

We have audited the accompanying financial statements of Unified School District No. 281, Hill City, Kansas, as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of Unified School District No. 281, Hill City, Kansas' management. Our responsibility is to express an opinion 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 and the guidance in the *Kansas Municipal Audit Guide*. Those standards and guidance 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 that our audit provides a reasonable basis for our opinion.

The financial statements do not include financial data for the District's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the District's primary government unless the District also issues financial statements for the financial reporting entity that include the financial data for its component units. The District has not issued such reporting entity financial statements. The effect on the financial statements of the omission of the component units, although not reasonable determinable, is presumed to be material.

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

To the Board of Education
Unified School District No. 281
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In our opinion, because of the effects of the matters discussed in the preceding paragraphs, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 281, Hill City, Kansas, as of June 30, 2011, and the changes in its financial position for the year then ended. Further, the District has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of the primary government of Unified School District No. 281, Hill City, Kansas, as of June 30, 2011, and its cash receipts and expenditures and budgetary comparisons for the year then ended, on the basis of accounting described in Note 1.

Mapes & Miller

Certified Public Accountants

November 28, 2011

UNIFIED SCHOOL DISTRICT NO. 281
Hill City, Kansas

Summary of Cash Receipts, Expenditures, and Unencumbered Cash
For the Year Ended June 30, 2011

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds:							
General Funds							
General Fund	\$ (23,719)	0	2,848,913	2,829,694	(4,500) *	40	(4,460)
Supplemental General Fund	19,603	8	998,449	968,218	49,842	3,007	52,849
Special Revenue Funds							
At-Risk Fund (4 Year Old)	7,183	0	0	0	7,183	0	7,183
At-Risk Fund (K-12)	11,619	0	200,000	193,915	17,704	0	17,704
Capital Outlay Fund	660,823	60	463,686	448,558	676,011	42,075	718,086
Driver Training Fund	15,106	0	5,186	8,000	12,292	0	12,292
Food Service Fund	58,994	0	207,718	204,923	61,789	0	61,789
Professional Development Fund	27,651	0	15,000	10,021	32,630	466	33,096
Special Education Fund	297,208	0	650,656	539,098	408,766	187	408,953
Vocational Education Fund	34,616	1	134,310	107,340	61,587	0	61,587
KPERS Special Retirement Contribution Fund	(90,361)	0	237,724	147,363	0 *	0	0
Recreation Commission Fund	2,126	0	49,099	47,884	3,341	0	3,341
Textbook and Student Material Revolving Fund	19,068	0	21,014	15,990	24,092	0	24,092
Contingency Reserve Fund	196,978	0	0	0	196,978	0	196,978
Federal Funds	(26,514)	0	150,332	123,818	0	20,756	20,756
Gifts and Grants Fund	87,315	30	282,041	48,998	320,388	4,843	325,231
District Activity (per Statement 5)	20,553	0	51,979	44,457	28,075	0	28,075
Total Reporting Entity (excluding Agency Funds)	\$ 1,318,249	99	6,316,107	5,738,277	1,896,178	71,374	1,967,552

* See Statutory Compliance, Note 12 to the financial statement

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

UNIFIED SCHOOL DISTRICT NO. 281
Hill City, Kansas
Composition of Cash
For the Year Ended June 30, 2011

STATEMENT 1
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First State Bank, Hill City, Kansas	
Regular Checking	\$ (201,003)
NOW Account	56,090
Money Market Accounts	717,891
Certificates of Deposit	<u>1,572</u>
Total First State Bank	<u>574,550</u>
Farmers & Merchants Bank, Hill City, Kansas	
NOW Account	3,676
Certificates of Deposit	<u>713,000</u>
Total Farmers & Merchants Bank	<u>716,676</u>
Citizens State Bank, Hill City, Kansas	
Money Market Account	<u>713,000</u>
Total Cash	<u>2,004,226</u>
Less: Agency Funds (Statement 4)	<u>(36,674)</u>
Total Reporting Entity (excluding Agency Funds)	\$ <u><u>1,967,552</u></u>

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

UNIFIED SCHOOL DISTRICT NO. 281
 Hill City, Kansas
 Summary of Expenditures - Actual and Budget
 For the Year Ended June 30, 2011

Fund	Certified Budget	Adjustments to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds:						
General Funds						
General Fund	\$ 2,910,305	(81,964)	1,353	2,829,694	2,829,694	0
Supplemental General Fund	968,218	0	0	968,218	968,218	0
Special Revenue Funds						
At-Risk Fund (4 Year Old)	0	0	0	0	0	0
At-Risk Fund (K-12)	185,000	0	0	185,000	193,915	8,915
Capital Outlay Fund	750,000	0	0	750,000	448,558	(301,442)
Driver Training Fund	8,000	0	0	8,000	8,000	0
Food Service Fund	225,050	0	0	225,050	204,923	(20,127)
Professional Development Fund	32,000	0	0	32,000	10,021	(21,979)
Special Education Fund	606,000	0	0	606,000	539,098	(66,902)
Vocational Education Fund	115,800	0	0	115,800	107,340	(8,460)
KPERS Special Retirement Contribution Fund	212,142	0	0	212,142	147,363	(64,779)
Recreation Commission Fund	54,000	0	0	54,000	47,884	(6,116)
Federal Funds	141,074	0	0	141,074	123,818	**
Gifts and Grants Fund	0	0	0	0	48,998	*

* Exempt from budget law per K.S.A. 72-8210

** Exempt from budget law per K.S.A. 12-1663

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

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Cash Receipts:			
Ad Valorem Tax	\$ 866,735	903,243	(36,508)
Delinquent Tax	2,600	12,567	(9,967)
Mineral Tax	67,371	0	67,371
General State Aid	1,407,400	1,567,798	(160,398)
Federal ARRA Stabilization Aid	50,601	50,601	0
Federal Education Jobs Aid	88,603	0	88,603
Special Education Aid	364,250	369,815	(5,565)
Reimbursements	1,353	0	1,353
Total Cash Receipts	<u>2,848,913</u>	<u>2,904,024</u>	<u>(55,111)</u>
Expenditures:			
Instruction	1,571,740	1,740,845	(169,105)
Student Support Services	23,766	26,610	(2,844)
Instructional Support Staff	58,970	58,050	920
General Administration	0	30,000	(30,000)
School Administration	235,830	240,200	(4,370)
Other Supplemental Services	70,316	74,600	(4,284)
Transfer to Special Education Fund	539,072	400,000	139,072
Transfer to Vocational Education Fund	120,000	100,000	20,000
Transfer to Food Service Fund	10,000	35,000	(25,000)
Transfer to At-Risk Fund (K-12)	200,000	185,000	15,000
Transfer to Professional Development Fund	0	20,000	(20,000)
Adjustment to Comply with Legal Max	0	(81,964)	81,964
Legal General Fund Budget	<u>2,829,694</u>	<u>2,828,341</u>	<u>1,353</u>
Adjustment for Qualifying Budget Credits			
Reimbursements	<u>0</u>	<u>1,353</u>	<u>(1,353)</u>
Total Expenditures	<u>2,829,694</u>	<u>2,829,694</u>	<u>0</u>
Cash Receipts Over (Under) Expenditures	19,219		
Unencumbered Cash, Beginning	<u>(23,719)</u>		
Unencumbered Cash, Ending	\$ <u>(4,500)</u>		

Additional Information

See Compliance with K.S.A. 72-6417 (d), Note 13 to the financial statements for the schedule of Statutory Revenues and Expenditures for the General Fund in compliance with this statute.

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

Supplemental General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Cash Receipts:			
Ad Valorem Tax	\$ 943,097	880,855	62,242
Delinquent Tax	1,895	14,172	(12,277)
Motor Vehicle and 16/20M Vehicle Tax	51,835	35,277	16,558
Recreational Vehicle Tax	1,522	971	551
Reimbursements	100	0	100
	<u>998,449</u>	<u>931,275</u>	<u>67,174</u>
Total Cash Receipts			
Expenditures:			
Instruction	144,507	170,200	(25,693)
Student Support Services	1,638	0	1,638
Instructional Support Staff	8,650	6,377	2,273
General Administration	135,159	130,300	4,859
School Administration	11,072	12,000	(928)
Operations and Maintenance	363,738	431,650	(67,912)
Operations and Maintenance (Transportation)	8,212	10,300	(2,088)
Student Transportation Services	57,742	65,050	(7,308)
Vehicle Operating Services	59,096	52,050	7,046
Vehicle Services and Maintenance Services	65,163	50,000	15,163
Transfer to Special Education Fund	63,241	50,000	13,241
Transfer to Professional Development Fund	15,000	0	15,000
Transfer to Food Service Fund	25,000	0	25,000
Transfer to Vocational Education Fund	10,000	0	10,000
Adjustment to Comply with Legal Max	0	(9,709)	9,709
	<u>968,218</u>	<u>968,218</u>	<u>0</u>
Total Expenditures			
Cash Receipts Over (Under) Expenditures	30,231		
Unencumbered Cash, Beginning	19,603		
Prior Year Cancelled Encumbrances	8		
	<u>49,842</u>		
Unencumbered Cash, Ending	\$ 49,842		

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

Special Revenue Funds
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
At-Risk Fund (4 Year Old)			
Cash Receipts	\$ <u>0</u>	<u>0</u>	<u>0</u>
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Cash Receipts Over (Under) Expenditures	<u>0</u>		
Unencumbered Cash, Beginning	<u>7,183</u>		
Unencumbered Cash, Ending	\$ <u><u>7,183</u></u>		
 At-Risk Fund (K-12)			
Cash Receipts:			
Transfer from General Fund	\$ <u>200,000</u>	<u>185,000</u>	<u>15,000</u>
Expenditures:			
Instruction	<u>193,915</u>	<u>185,000</u>	<u>8,915</u>
Cash Receipts Over (Under) Expenditures	<u>6,085</u>		
Unencumbered Cash, Beginning	<u>11,619</u>		
Unencumbered Cash, Ending	\$ <u><u>17,704</u></u>		

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

Special Revenue Funds
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Capital Outlay Fund			
Cash Receipts:			
Ad Valorem Tax	\$ 367,715	352,170	15,545
Delinquent Tax	944	5,052	(4,108)
Motor Vehicle and 16/20M Vehicle Tax	22,484	15,565	6,919
Recreational Vehicle Tax	649	429	220
Interest on Idle Funds	8,902	0	8,902
Other Revenue From Local Source	62,992	0	62,992
	<u>463,686</u>	<u>373,216</u>	<u>90,470</u>
Total Cash Receipts			
Expenditures:			
Instruction	21,778	25,000	(3,222)
General Administration	32,683	50,000	(17,317)
School Administration	27,732	0	27,732
Operations and Maintenance	204,001	150,000	54,001
Transportation	19,609	35,000	(15,391)
Other Contractual Services	750	40,000	(39,250)
Architectural and Engineering Services	2,140	50,000	(47,860)
Site Improvement	0	400,000	(400,000)
QZAB Lease Payment	139,865	0	139,865
	<u>448,558</u>	<u>750,000</u>	<u>(301,442)</u>
Total Expenditures			
Cash Receipts Over (Under) Expenditures	15,128		
Unencumbered Cash, Beginning	660,823		
Prior Year Cancelled Encumbrances	60		
	<u>676,011</u>		
Unencumbered Cash, Ending	\$ 676,011		

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

Special Revenue Funds
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Driver Training Fund			
Cash Receipts:			
State Safety Aid	\$ 1,628	1,540	88
Revenue From Local Source	<u>3,558</u>	<u>0</u>	<u>3,558</u>
Total Cash Receipts	<u>5,186</u>	<u>1,540</u>	<u>3,646</u>
Expenditures:			
Instruction	6,050	8,000	(1,950)
Vehicle Operations and Maintenance Services	<u>1,950</u>	<u>0</u>	<u>1,950</u>
Total Expenditures	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Cash Receipts Over (Under) Expenditures	(2,814)		
Unencumbered Cash, Beginning	<u>15,106</u>		
Unencumbered Cash, Ending	<u>\$ 12,292</u>		
Food Service Fund			
Cash Receipts:			
Student Lunches	\$ 55,380	60,852	(5,472)
Adult and Student Sales	2,153	2,800	(647)
Federal Aid	92,967	84,412	8,555
Miscellaneous	20,259	0	20,259
State Aid	1,959	1,608	351
Transfer from General Fund	10,000	35,000	(25,000)
Transfer from Supplemental General Fund	<u>25,000</u>	<u>0</u>	<u>25,000</u>
Total Cash Receipts	<u>207,718</u>	<u>184,672</u>	<u>23,046</u>
Expenditures:			
Food Service Operations	<u>204,923</u>	<u>225,050</u>	<u>(20,127)</u>
Cash Receipts Over (Under) Expenditures	2,795		
Unencumbered Cash, Beginning	<u>58,994</u>		
Unencumbered Cash, Ending	<u>\$ 61,789</u>		

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

Special Revenue Funds
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Professional Development Fund			
Cash Receipts:			
Transfer from General	\$ 0	20,000	(20,000)
Transfer from Supplemental General Fund	<u>15,000</u>	<u>0</u>	<u>15,000</u>
Total Cash Receipts	<u>15,000</u>	<u>20,000</u>	<u>(5,000)</u>
Expenditures:			
Instructional Support Staff	7,985	26,000	(18,015)
Other Supplemental Service	<u>2,036</u>	<u>6,000</u>	<u>(3,964)</u>
Total Expenditures	<u>10,021</u>	<u>32,000</u>	<u>(21,979)</u>
Cash Receipts Over (Under) Expenditures	4,979		
Unencumbered Cash, Beginning	<u>27,651</u>		
Unencumbered Cash, Ending	<u>\$ 32,630</u>		
Special Education Fund			
Cash Receipts:			
Interest on Idle Funds	\$ 26,673	20,000	6,673
Other Revenue from Local Source	16,029	0	16,029
Medicaid State Reimbursement	5,641	1,500	4,141
Transfer from General Fund	539,072	400,000	139,072
Transfer from Supplemental General Fund	<u>63,241</u>	<u>50,000</u>	<u>13,241</u>
Total Cash Receipts	<u>650,656</u>	<u>471,500</u>	<u>179,156</u>
Expenditures:			
Instruction	517,382	591,000	(73,618)
Student Support Services	<u>21,716</u>	<u>15,000</u>	<u>6,716</u>
Total Expenditures	<u>539,098</u>	<u>606,000</u>	<u>(66,902)</u>
Cash Receipts Over (Under) Expenditures	111,558		
Unencumbered Cash, Beginning	<u>297,208</u>		
Unencumbered Cash, Ending	<u>\$ 408,766</u>		

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

Special Revenue Funds
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Vocational Education Fund			
Cash Receipts:			
Miscellaneous	\$ 150	0	150
Special Project Aid	4,160	0	4,160
Transfer from General Fund	120,000	100,000	20,000
Transfer from Supplemental General Fund	<u>10,000</u>	<u>0</u>	<u>10,000</u>
Total Cash Receipts	<u>134,310</u>	<u>100,000</u>	<u>34,310</u>
Expenditures:			
Instruction	<u>107,340</u>	<u>115,800</u>	<u>(8,460)</u>
Cash Receipts Over (Under) Expenditures	26,970		
Unencumbered Cash, Beginning	34,616		
Prior Year Cancelled Encumbrances	<u>1</u>		
Unencumbered Cash, Ending	<u>\$ 61,587</u>		
KPERS Special Retirement Contribution Fund			
Cash Receipts:			
State Contributions to KPERS	\$ <u>237,724</u>	<u>212,142</u>	<u>25,582</u>
Expenditures:			
Instruction	105,689	149,642	(43,953)
Student Support Services	805	3,500	(2,695)
Instructional Support	2,517	6,000	(3,483)
General Administration	6,735	9,000	(2,265)
School Administration	11,955	15,000	(3,045)
Other Supplemental Services	3,821	6,000	(2,179)
Operations and Maintenance	8,368	11,000	(2,632)
Student Transportation Services	4,519	7,000	(2,481)
Food Service	<u>2,954</u>	<u>5,000</u>	<u>(2,046)</u>
Total Expenditures	<u>147,363</u>	<u>212,142</u>	<u>(64,779)</u>
Cash Receipts Over (Under) Expenditures	90,361		
Unencumbered Cash, Beginning	<u>(90,361)</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>		

Additional Information

See KPERS Special Contribution Fund Note 14 to the financial statements.

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

Special Revenue Funds
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Recreation Commission Fund			
Cash Receipts:			
Ad Valorem Tax	\$ 46,130	44,189	1,941
Delinquent Tax	89	628	(539)
Motor Vehicle and 16/20M Vehicle Tax	2,799	1,943	856
Recreational Vehicle Tax	81	53	28
	<u>49,099</u>	<u>46,813</u>	<u>2,286</u>
Total Cash Receipts			
Expenditures:			
Community Service Operations	47,884	54,000	(6,116)
	<u>47,884</u>	<u>54,000</u>	<u>(6,116)</u>
Cash Receipts Over (Under) Expenditures			
	1,215		
Unencumbered Cash, Beginning	2,126		
	<u>2,126</u>		
Unencumbered Cash, Ending	\$ 3,341		
	<u>3,341</u>		

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

UNIFIED SCHOOL DISTRICT NO. 281
Hill City, Kansas
Special Revenue Funds
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended June 30, 2011

	Actual
Textbook and Student Material Revolving Fund	
Cash Receipts:	
Miscellaneous	\$ <u>21,014</u>
Expenditures:	
Instruction	<u>15,990</u>
Cash Receipts Over (Under) Expenditures	5,024
Unencumbered Cash, Beginning	<u>19,068</u>
Unencumbered Cash, Ending	\$ <u><u>24,092</u></u>
Contingency Reserve Fund	
Cash Receipts	\$ <u>0</u>
Expenditures	<u>0</u>
Cash Receipts Over (Under) Expenditures	0
Unencumbered Cash, Beginning	<u>196,978</u>
Unencumbered Cash, Ending	\$ <u><u>196,978</u></u>

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

UNIFIED SCHOOL DISTRICT NO. 281
Hill City, Kansas
Special Revenue Funds
Federal Funds

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011

	Title I 09-10	Title I 10-11	Title II A 10-11	Title II D 10-11	ARRA Title I A	REAP	Total	Budget	Variance Over (Under)
Cash Receipts: Federal Aid	\$ 34,346	59,472	18,932	201	13,896	23,485	150,332	103,605	46,727
Expenditures: Instruction	13,704	59,472	18,932	201	8,024	23,485	123,818	141,074	(17,256)
Cash Receipts over (under) Expenditures	20,642	0	0	0	5,872	0	26,514		
Unencumbered Cash, Beginning	(20,642)	0	0	0	(5,872)	0	(26,514)		
Unencumbered Cash, Ending	\$ 0	0	0	0	0	0	0		

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

UNIFIED SCHOOL DISTRICT NO. 281
Hill City, Kansas
Special Revenue Funds
Gifts and Grants Fund

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011

	Worcester Library #1	Worcester Library #2	Worcester Vocational Agriculture	A.J. Rice Memorial	Ringneck 21-1	ITV Grant	Rush Education Trust	Total	Budget	Variance Over (Under)
Cash Receipts:										
Miscellaneous	\$ 4,099	5,313	152,612	87	100,210	19,720	0	282,041	0	282,041
Expenditures:										
Instruction	3,907	511	38,258	173	0	0	220	43,069	0	43,069
Instructional Support Staff	2,190	0	0	0	0	0	0	2,190	0	2,190
General Administration	1,092	1,009	0	0	0	0	0	2,101	0	2,101
Operations and Maintenance	73	0	1,565	0	0	0	0	1,638	0	1,638
Total Expenditures	7,262	1,520	39,823	173	0	0	220	48,998	0 *	48,998
Cash Receipts over (under) Expenditures	(3,163)	3,793	112,789	(86)	100,210	19,720	(220)	233,043		
Unencumbered Cash, Beginning	13,400	4,708	64,498	121	0	0	4,588	87,315		
Prior Year Cancelled Encumbrances	30	0	0	0	0	0	0	30		
Unencumbered Cash, Ending	\$ 10,267	8,501	177,287	35	100,210	19,720	4,368	320,388		

* Exempt from budget law per K.S.A. 72-8210

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

UNIFIED SCHOOL DISTRICT NO. 281
Hill City, Kansas
Agency Funds
Summary of Cash Receipts and Cash Disbursements
For the Year Ended June 30, 2011

STATEMENT 4

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Junior/Senior High School:				
Class of 2009	\$ 276	0	276	0
Class of 2010	1,069	0	530	539
Class of 2011	3,085	1,551	4,636	0
Class of 2012	977	13,405	10,137	4,245
Class of 2013	0	553	44	509
Class of 2014	288	0	0	288
Class of 2015	0	160	13	147
Concessions	3,024	30,246	29,246	4,024
Forensics	686	2,486	1,988	1,184
Yearbook	424	3,548	1,646	2,326
KAYS	1,085	3,047	3,724	408
Pep Club	263	1,885	1,343	805
FFA	6,082	84,852	84,888	6,046
Student Council	7,062	6,731	5,671	8,122
FCCLA	1,509	7,438	6,935	2,012
Fine Arts	1,488	983	2,232	239
SADD	25	0	0	25
Science/Math Club	229	453	263	419
High School Cheerleaders	504	4,544	4,479	569
Junior High Cheerleaders	1,406	1,450	1,987	869
HCHS Lead Donut	20	5,253	5,253	20
Weightlifting Club	411	0	0	411
Wrestling	0	2,682	2,391	291
Football Club	459	4,218	4,677	0
Grade School:				
Student Council	<u>2,378</u>	<u>7,606</u>	<u>6,808</u>	<u>3,176</u>
Total	<u>\$ 32,750</u>	<u>183,091</u>	<u>179,167</u>	<u>36,674</u>

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

UNIFIED SCHOOL DISTRICT NO. 281
Hill City, Kansas
District Activity Funds

STATEMENT 5

Statement of Cash Receipts, Expenditures, and Unencumbered Cash
For the Year Ended June 30, 2011

Fund	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts: Junior/Senior High School Athletics	\$ 20,553	51,979	44,457	28,075	0	28,075

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

UNIFIED SCHOOL DISTRICT NO. 281

Hill City, Kansas

Notes to the Financial Statements

June 30, 2011

1. Summary of Significant Accounting Policies

Reporting Entity

Unified School District No. 281, Hill City, Kansas, is a municipal corporation governed by an elected seven-member board. It operates as a unified school district in accordance with the laws of the State of Kansas and provides the following services: education, culture and recreation.

Accounting principles generally accepted in the United States of America require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading or incomplete. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and imposes its will on that organization. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government, regardless of the authority of the organization's governing board.

These financial statements do not include the financial data for the District's legally separate component units and, therefore, are not a complete presentation in accordance with generally accepted accounting principles. The following entity is considered to be a component unit of the District because of its operational and financial relationship with the District:

Recreation Commission. Graham County Recreation Commission oversees recreational activities. The recreation commission operates as a separate governing body, but the District levies the taxes for the recreation commission and the recreation commission has only the powers granted by statute K.S.A. 12-1928. The recreation commission cannot purchase real property but can acquire real property by gift. The financial statements for the Graham County Recreation Commission may be obtained from the Director, Graham County Recreation Commission, Hill City, Kansas, 67642.

Fund Accounting

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

The following types of funds comprise the financial activities of the District for the fiscal year ended June 30, 2011:

Governmental Type Funds:

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

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

Fiduciary Type Funds:

Agency Funds--To account for assets held by the District in a purely custodial capacity for individuals, private organizations, other governmental units, and/or other funds.

Reimbursements

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria: 1) the related disbursement was made in the current year on behalf of the payee, 2) the item paid for was directly identifiable as having been used by or provided to the payee, and 3) the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

Inventories and Prepaid Expense

Inventories and prepaid expenses which benefit future periods are recorded as expenditures during the year of purchase.

Statutory Basis of Accounting

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

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

Departure from Accounting Principles Generally Accepted in the United States of America

The basis of accounting described above results in a financial statement presentation, which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations

of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year-end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, building, and equipment owned by the District are not presented in the financial statements. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

2. Budgetary Information

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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

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

A legal operating budget is not required for capital project funds, fiduciary funds, and the following special revenue funds: Contingency Reserve Fund, Textbook and Student Material Revolving Fund, Federal Funds, District Activity Funds, and Gifts and Grants Funds.

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

3. **Property Taxes**

Property taxes are levied November 1st of the calendar year. A lien is placed on the property when the taxes are levied. The taxes are due one-half on December 20th and one-half the following May 10th. Any taxes unpaid at the due dates are considered delinquent.

Collection of current year property tax by the County Treasurer is not completed, apportioned, nor distributed to the various subdivisions until the succeeding year: such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current year operation of the District and, therefore, are not susceptible to accrual.

It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the audit period, and further, the amounts thereof are not material to the financial statements taken as a whole.

4. **Compensated Absences**

Sick Leave

Certified employees on a nine-month employment contract will begin each school year with 12 days of sick leave. Non-certified employees will earn 1.3 days (eight hours per day maximum for a defined hourly period) of sick leave per month.

All employees who have been employed by the District for at least 10 consecutive years will be paid for each day of accumulated sick leave (up to 90 days) upon retirement, upon leaving the District, or upon the death of the employee. Certified employees are paid at a rate of \$35 a day. Non-certified employees are paid at a rate of \$20 a day.

See Note 14 – Long-term Debt for additional information.

5. **Defined Benefit Pension Plan**

Plan description. The Unified School District No. 281, Hill City, Kansas, 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 S. Kansas, Suite 100, Topeka, KS 66603-3869) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 establishes the KPERs member-employee contribution rate at 4% of covered salary for active members hired before July 1, 2009. For active members employed on or after July 1, 2009, K.S.A. 74-49,210 establishes the KPERs member-employee contribution rate at 6% of covered salaries. 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. Kansas currently contributes 9.17% of covered payroll, which includes 1% for Group Death and Disability Insurance. There was a moratorium on the 1% collection for Group Death and Disability Insurance from April 1, 2011 through June 30, 2011. These contribution requirements are established by KPERS and are periodically revised. Kansas' contributions to KPERS for all Kansas public school employees for the years ending June 30, 2010 and 2009 were \$248,468,186 and \$242,277,363, respectively. For the year ending June 30, 2011, the required contribution was \$253,834,044. As of June 30, 2011, the State of Kansas contributed \$188,864,352. The remaining \$64,969,692 was contributed by July 12, 2011. The amounts attributable to the District for the years ending June 30, 2011, 2010, and 2009 were \$147,363, \$184,471, and \$187,957, respectively.

6. Defined Contribution Plan

The District offers its employees the option to participate in a defined contribution plan created in accordance with Internal Revenue Code Section 403(b). In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan, available to all District employees, permits them to defer a portion of their current salary (up to \$16,500 and an additional \$5,500 catch-up contribution for employees age 50 and over) until future years. The District will match up to \$50 per month to be deposited in each employee's 403(b) plan. During the past fiscal year, the employees contributed \$40,900, and the District contributed \$23,600. The deferred compensation is not available to employees until termination, retirement, total and permanent disability, death, or certain financial hardship.

The Plan has contracted with AFPlanServ for selected plan administrative services. Among the services provided by AFPlanServ is approval of salary reduction agreements for beginning or changing amounts and/or providers. The Plan also contracts with American Fidelity Assurance Company to manage the investment of plan assets.

7. Other Post Employment Benefits

Employees of the District who retire prior to age 65 and are not less than 58 years of age and not more than 65 may elect to apply for early retirement health insurance benefits. Certified employees must have 15 or more years of full-time employment with the District, and non-certified employees must have 20 or more years. The benefit program is available for a three-year period, beginning with the 2010-2011 school year through the 2012-2013 school year. Benefits shall be applied only toward the District's health insurance premiums and shall not exceed \$10,020 per retiree in any fiscal year. The retiree will pay the difference monthly to equal the total premium. Benefits automatically terminate when the retiree is 65, or following the end of the school year in which the employee reached age 65, or upon the death of the retiree.

During the year ended June 30, 2011, approximately 15 retirees participated in this plan and the District paid \$100,083 in premiums for these retirees. Any remaining subsidy to retirees due to the plan's level premium structure has not been quantified in these financial statements to the District.

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

8. Deposits and Investments

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

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

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by the federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has not designated any "peak periods." All deposits were legally secured at June 30, 2011.

At June 30, 2011, the District's carrying amount of deposits, including certificates of deposit, was \$2,004,226 and the bank balance was \$2,324,416. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$750,000 was covered by federal depository insurance, \$1,107,732 was collateralized with securities held by the pledging financial institutions' agents in the District's name, and \$466,684 was covered by an irrevocable letter of credit issued by FHLBank Topeka in the District's name.

9. Interfund Transfers

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service on a routine basis as authorized by Kansas Statutes.

The District's operating transfers and statutory authority for June 30, 2011, were as follows:

From	To	Statutory Authority	Amount
General Fund	Special Education Fund	K.S.A. 72-6428	\$ 539,072
General Fund	Food Service Fund	K.S.A. 72-6428	10,000
General Fund	Vocational Education Fund	K.S.A. 72-6428	120,000
General Fund	At-Risk Fund (K-12)	K.S.A. 72-6428	200,000
Supplemental General Fund	Special Education Fund	K.S.A. 72-6433	63,241
Supplemental General Fund	Food Service Fund	K.S.A. 72-6433	25,000
Supplemental General Fund	Professional Development Fund	K.S.A. 72-6433	15,000
Supplemental General Fund	Vocational Education Fund	K.S.A. 72-6433	10,000

10. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other school districts in the State to participate in the Kansas Association of School Boards Workers Compensation Fund, Inc., a public entity risk pool currently operating as a common risk management and insurance program for 86 participating members.

The District pays an annual premium to Kansas Association of School Boards Workers Compensation Fund, Inc., for its workers compensation insurance coverage. The agreement to participate provides that the Kansas Association of School Boards Workers Compensation Fund, Inc., will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain limits for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by Kansas Association of School Boards Workers Compensation Fund, Inc.'s, management.

The District continues to carry commercial insurance for all other risks of loss, including property, automobile, liability, inland marine, linebacker, health, and surety. For the year ended June 30, 2011, the District did not reduce insurance coverage from levels in place during the prior year. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

11. Qualified Zone Academy Bonds (QZAB)

The District entered into a lease purchase agreement on July 1, 2009, with First State Bank to finance the acquisition, construction, and equipping of school building improvements. The District will pay First State Bank \$136,990 a year for a period of ten years. The lease payments are to be placed in an interest bearing custodial account. The expected total of all payments to be made by the District plus interest earned on the account is \$1,500,000, which is the amount of the Lease Purchase Agreement, amortized with zero percent interest. At the end of ten years, the custodian will release the funds in the account to First State Bank, and the lease will be terminated.

See Note 14 – Long-term Debt for additional information.

12. Statutory ComplianceCash Violation

K.S.A. 10-1113 requires each fund to comply with the cash-basis laws of Kansas. That is, no commitments or indebtedness should be incurred unless there is available cash in the fund. The General Fund incurred indebtedness in excess of the available cash balance. The General Fund expenditures exceeded the fund balance due to the final June state aid payment for the 2011 fiscal year being received after June 30, 2011. The June state aid for the General Fund of \$4,500 was received on July 7, 2011. K.S.A. 10-1116(a) exempts expenditures by school districts that are in excess of current revenues if the deficit in revenues is caused by late distribution of general state aid.

Budget Violation

K.S.A. 79-2935 states that it is unlawful for expenditures to exceed the District's published budget. Expenditures in the At-Risk Fund (K-12) exceeded the published budget by \$8,915.

Other Compliance

K.S.A. 75-3317 through 75-3322 requires the District to make mandatory purchases of products and services offered by Kansas industries for the blind and severely disabled. The District did not make such purchases.

K.S.A. 75-4032a requires elected officers and/or individuals appointed to fill a vacancy in an elective office to file a written report disclosing substantial interests. A statement of substantial interests was not filed for an appointed board member of the District.

13. Compliance with K.S.A. 72-6417(d)

K.S.A. 72-6417(d) requires the District to record any payment of general state aid that is due to be paid during the month of June and is paid to the District after June 30, as a receipt for the school year ending on June 30. The following shows the revenue as required by these statutes.

**UNIFIED SCHOOL DISTRICT NO. 281
STATUTORY REVENUES AND EXPENDITURES - STATUTORY AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011**

	Statutory Transactions	Budget	Variance Over (Under)
GENERAL FUND			
Statutory Revenues:			
Ad Valorem Tax	\$ 866,735	903,243	(36,508)
Delinquent Tax	2,600	12,567	(9,967)
Mineral Tax	67,371	0	67,371
General State Aid	1,388,181	1,567,798	(179,617)
Federal ARRA Stabilization Aid	50,601	50,601	0
Federal Education Jobs Aid	88,603	0	88,603
Special Education Aid	364,250	369,815	(5,565)
Reimbursements	1,353	0	1,353
	<u>2,829,694</u>	<u>2,904,024</u>	<u>(74,330)</u>
Total Statutory Revenues			
Expenditures:			
Instruction	1,571,740	1,740,845	(169,105)
Student Support Services	23,766	26,610	(2,844)
Instructional Support Staff	58,970	58,050	920
General Administration	0	30,000	(30,000)
School Administration	235,830	240,200	(4,370)
Other Supplemental Services	70,316	74,600	(4,284)
Transfer to Special Education Fund	539,072	400,000	139,072
Transfer to Vocational Education Fund	120,000	100,000	20,000
Transfer to Food Service Fund	10,000	35,000	(25,000)
Transfer to At-Risk Fund (K-12)	200,000	185,000	15,000
Transfer to Professional Development Fund	0	20,000	(20,000)
Adjustment to Comply with Legal Max	0	(81,964)	81,964
	<u>2,829,694</u>	<u>2,828,341</u>	<u>1,353</u>
Legal General Fund Budget			
Adjustment for Qualifying Budget Credits			
Reimbursements	0	1,353	(1,353)
	<u>0</u>	<u>1,353</u>	<u>(1,353)</u>
Total Expenditures	<u>2,829,694</u>	<u>2,829,694</u>	<u>0</u>
Statutory Revenues Over (Under) Expenditures	0		
Modified Unencumbered Cash, July 1, 2010	0		
Modified Unencumbered Cash, June 30, 2011	\$ 0		

14. KPERS Special Retirement Contribution Fund

The KPERS Special Retirement Contribution Fund, as shown below, reflects all state aid for the fiscal year ended June 30, 2011, as confirmed by the Kansas State Department of Education. This presentation excludes the January and April 2010 state aid payments of \$45,268 and \$45,092 received on July 7 and July 8, 2010, respectively.

**UNIFIED SCHOOL DISTRICT NO. 281
REVENUES AND EXPENDITURES - FISCAL YEAR AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011**

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

	<u>Fiscal Year Transactions</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Revenues:			
State Contribution to KPERS	\$ <u>147,363</u>	<u>257,240</u>	<u>(109,877)</u>
Expenditures:			
Instruction	105,689	180,968	(75,279)
Student Support	805	9,698	(8,893)
Instructional Support	2,517	5,556	(3,039)
General Administration	6,735	8,052	(1,317)
School Administration	11,955	17,544	(5,589)
Other Supplemental Services	3,821	5,145	(1,324)
Operations and Maintenance	8,368	11,730	(3,362)
Student Transportation Services	4,519	10,650	(6,131)
Food Service	<u>2,954</u>	<u>7,897</u>	<u>(4,943)</u>
Total Expenditures	<u>147,363</u>	<u>257,240</u>	<u>(109,877)</u>
Revenues Over (Under) Expenditures	<u>0</u>		
Modified Unencumbered Cash, July 1, 2010	<u>0</u>		
Modified Unencumbered Cash, June 30, 2011	<u>\$ 0</u>		

15. Long-term Debt

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	2014-2015 Reductions/ Payments	2015-2016 Net Change	Balance End of Year	Interest Paid
Lease Purchase Agreement: Qualified Zone Academy Bonds (QZAB) (Note 11)	0.00%	7/1/2009	\$ 1,500,000	7/1/2019	\$ 1,362,897	0	139,865		1,223,032	0
Compensated Absences: Sick Leave					89,095			(33,271)	55,824	
Total Long-Term Debt					\$ 1,451,992	0	139,865	(33,271)	1,278,856	0

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

	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2021	Total
Principal:							
Lease Purchase Agreement Qualified Zone Academy Bonds (QZAB)	\$ 136,990	136,990	136,990	136,990	136,990	410,970	1,095,920
Lease Payments (Note 11)	5,534	8,385	11,292	14,258	17,283	70,360	127,112
Interest Earnings (Note 11)							
Total Principal	142,524	145,375	148,282	151,248	154,273	481,330	1,223,032
Interest:							
Lease Purchase Agreement Qualified Zone Academy Bonds	0	0	0	0	0	0	0
Total Interest	0	0	0	0	0	0	0
Total Principal and Interest	\$ 142,524	145,375	148,282	151,248	154,273	481,330	1,223,032