

**UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS**

**AUDIT REPORT AND  
FINANCIAL STATEMENTS**

**June 30, 2012**

**UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS**

**For the Fiscal Year Ended June 30, 2012**

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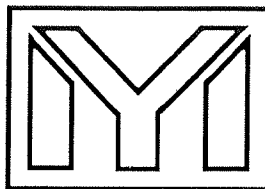
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UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

For the Fiscal Year Ended June 30, 2012

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# YERKES & MICHELS, CPA, LLC

## CERTIFIED PUBLIC ACCOUNTANTS

John D. Carroll, CPA  
Carmen R. Duroni, CPA

Randy Hoffman

American Institute of Certified Public Accountants  
Kansas Society of Certified Public Accountants  
An Independent C.P.A. Firm

### INDEPENDENT AUDITOR'S REPORT

Board of Education  
Unified School District No. 283  
Longton, Kansas 67352

We have audited the accompanying statutory basis financial statements of the individual funds of the Unified School District No. 283, Longton, Kansas, as of and for the year ended June 30, 2012, as listed in the table of contents. These statutory basis financial statements are the responsibility of the Unified School District's management. Our responsibility is to express an opinion on these statutory basis 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 Kansas Municipal Audit Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note A-4, the District prepared these statutory basis financial statements using accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the statutory basis financial statements referred to 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. 283, Longton, Kansas, as of June 30, 2012, or the changes in its financial position, or, where applicable, its cash flows for the year then ended. Further, Unified School District No. 283, 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 part of, the basic financial statements.

Also, in our opinion, the statutory basis financial statements referred to in the first paragraph present fairly, in all material respects, the cash and unencumbered cash balances of the individual funds of Unified School District No. 283, Longton, Kansas, as of June 30, 2012, and their respective cash receipts, expenditures, and budgetary results for such funds for the year then ended on the basis of accounting described in Note A-4.

  
YERKES & MICHELS, CPA, LLC

January 21, 2013

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

SUMMARY OF CASH RECEIPTS, EXPENDITURES  
AND UNENCUMBERED CASH

For the Year Ended June 30, 2012

Funds Governmental Type Funds:	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Unencumbered Cash Balance June 30, 2012	Outstanding Encumbrances and Accounts Payable	Statutory Cash Balance June 30, 2012	Funds Governmental Type Funds:
General	\$ 0.84	\$ -	\$ 1,857,114.38	\$ 1,857,114.00	\$ 1.22	\$ 24,185.72	\$ 24,186.94	General
Supplemental General	63.25	-	197,366.97	185,000.00	12,430.22	-	12,430.22	Supp. General
Special Revenue	-	-	13,630.00	13,630.00	-	-	-	Special Revenue
At Risk (4 Yr. Old)	-	-	220,039.77	220,039.77	-	-	-	At Risk (4 Yr. Old)
At Risk (K-12)	-	-	86,400.42	100,474.48	-	51.06	-	At Risk (K-12)
Vocational Education	24,961.27	-	344,872.41	347,703.00	10,887.21	-	10,938.27	Voc. Educ.
Special Education	87,830.59	-	155,734.33	155,734.33	85,000.00	-	85,000.00	Special Education
Food Service	40,000.00	-	3,508.64	3,508.64	40,000.00	-	40,000.00	Food Service
Driver Training	4,650.00	-	12,053.14	16,936.39	4,500.00	-	4,500.00	Driver Training
Capital Outlay	207,387.14	-	2,014.65	4,050.71	202,503.89	-	202,503.89	Capital Outlay
Professional Development	10,036.06	-	85,708.57	85,708.57	8,000.00	-	8,000.00	Prof. Devel.
Parent Education	3,500.00	-	199,780.00	36,746.78	400.00	-	400.00	Parent Education
KPERS Retirement Contribution	-	-	2,375.00	7,238.95	163,033.22	-	163,033.22	KPERS Retire.
Contingency Reserve	16,595.90	-	13,868.00	13,868.00	11,731.95	4,317.39	16,049.34	Conting. Res.
Textbook Rental	-	-	4,006.91	4,006.91	-	-	-	Textbook Rental
Small Rural School Grant Fund	-	-	76,278.00	76,278.00	-	-	-	Small Rural Sch. Grant
Grants Fund	-	-	12,451.00	12,451.00	-	1,409.09	1,409.09	Grants Fund
Title I Fund	-	-	15,585.62	15,020.38	565.24	-	-	Title I Fund
Title IIA Fund	-	-	130,238.47	123,683.75	253,824.20	-	565.24	Title IIA Fund
District Activity Funds	-	-	-	-	-	-	-	District Activity Funds
Debt Service Fund	247,269.48	-	-	-	-	-	-	Debt Service Fund
Bond and Interest	-	-	\$ 3,233,246.28	\$ 3,282,443.66	\$ 792,877.15	\$ 29,983.26	\$ 253,824.20	Bond and Interest
TOTAL REPORTING ENTITY (Excluding Agency Funds)	\$ 842,074.53	\$ -	\$ 3,233,246.28	\$ 3,282,443.66	\$ 792,877.15	\$ 29,983.26	\$ 822,840.41	TOTAL REPORTING ENTITY (Excluding Agency Funds)
COMPOSITION OF ENDING STATUTORY CASH:								
Cash on Hand								\$ 100.00
Bank of Longton, Longton, Kansas								
Checking Account No. 100803								284,178.43
Checking Account No. 125148								1,400.00
Checking Account No. 100811								14,403.06
Money Market Account No. 557412								224,220.50
Certificate of Deposit No. 46030								312,376.24
Less: Agency Funds (Statement 4)								\$ 836,678.23
TOTAL REPORTING ENTITY								(13,837.82)
(Excluding Agency Funds)								\$ 822,840.41

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET  
For the Year Ended June 30, 2012

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustments To Comply With Legal Max</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Fund</u>
General	\$ 1,998,742.00	\$ (141,628.00)		\$ 1,857,114.00	\$ 1,857,114.00	\$ -	General
Supplemental General	185,000.00			185,000.00	185,000.00	-	Supp. General
Special Revenue							Special Revenue
At Risk (4 Yr. Old)	25,000.00			25,000.00	13,630.00	11,370.00	At Risk (4 Yr. Old)
At Risk (K - 12)	260,000.00			260,000.00	220,039.77	39,960.23	At Risk (K - 12)
Vocational Education	144,961.00			144,961.00	100,474.48	44,486.52	Vocational Ed.
Special Education	402,531.00			402,531.00	347,703.00	54,828.00	Special Ed.
Food Service	172,602.00			172,602.00	155,734.33	16,867.67	Food Service
Driver Training	6,500.00			6,500.00	3,658.64	2,841.36	Driver Training
Capital Outlay	207,387.00			207,387.00	16,936.39	190,450.61	Capital Outlay
Professional Developmt.	10,036.00			10,036.00	4,050.71	5,985.29	Prof. Develop.
Parent Education	3,500.00			3,500.00	3,100.00	400.00	Parent Ed.
KPERS Retirement Contribution	103,547.00			103,547.00	85,708.57	17,838.43	KPERS Ret. Cont.
Debt Service	-						
Bond and Interest	143,283.00			143,283.00	123,683.75	19,599.25	Bond and Int.

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

GENERAL FUND

	Prior Year Actual	CURRENT YEAR		Variance Favorable (Unfavorable)
		Actual	Budget	
CASH RECEIPTS				
Ad Valorem Taxes	\$ 161,856.82	\$ 203,573.45	\$ 226,214.00	\$ (22,640.55)
Delinquent Tax	3,352.94	1,198.25	3,309.00	(2,110.75)
Other Taxes	628.88	469.68	-	469.68
State of Kansas	1,422,396.00	1,331,994.00	1,455,019.00	(123,025.00)
ARRA Stabilization	35,058.00	877.00	-	877.00
ARRA Education Jobs Bill	61,386.00	-	-	-
State Aid – Special Education	272,010.00	319,002.00	314,700.00	4,302.00
TOTAL CASH RECEIPTS	<u>\$ 1,956,688.64</u>	<u>\$ 1,857,114.38</u>	<u>\$ 1,999,242.00</u>	<u>\$ (142,127.62)</u>
EXPENDITURES				
Instruction	\$ 601,522.68	\$ 645,177.19	\$ 702,000.00	\$ 56,822.81
ARRA Salaries	96,444.00	877.00	-	(877.00)
Student Support Services	8,495.79	226.87	9,085.00	8,858.13
Instruction Support Services	37,938.89	25,593.05	40,450.00	14,856.95
General Administration	156,949.82	168,606.61	169,100.00	493.39
School Administration	117,252.91	131,873.34	128,850.00	(3,023.34)
Operations and Maintenance	194,025.37	192,523.21	222,007.00	29,483.79
Transportation	110,808.05	117,797.35	127,550.00	9,752.65
Transfers	657,336.07	599,639.71	599,700.00	60.29
Reimbursed Expense	(24,084.58)	(25,200.33)	-	25,200.33
Adjustment to Comply with Legal Max	-	-	(141,628.00)	(141,628.00)
TOTAL EXPENDITURES	<u>\$ 1,956,689.00</u>	<u>\$ 1,857,114.00</u>	<u>\$ 1,857,114.00</u>	<u>\$ -</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (0.36)	\$ 0.38		
UNENCUMBERED CASH, BEGINNING	<u>1.20</u>	<u>0.84</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 0.84</u>	<u>\$ 1.22</u>		

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.



UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

SUMMARY OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

SUPPLEMENTAL GENERAL FUND

	Prior Year Actual	CURRENT YEAR		Variance Favorable (Unfavorable)
		Actual	Budget	
CASH RECEIPTS				
Ad Valorem Tax	\$ 54,891.82	\$ 130,995.24	\$ 133,365.00	\$ (2,369.76)
Delinquent Tax	951.80	603.25	1,130.00	(526.75)
Motor Vehicle Tax	4,949.04	5,749.96	4,314.00	1,435.96
Other Taxes	95.10	159.52	83.00	76.52
State Aid	33,327.00	59,859.00	57,704.00	2,155.00
Other Taxes	9,000.00			-
ARRA Stabilization	-	-	-	-
TOTAL CASH RECEIPTS	<u>\$ 103,214.76</u>	<u>\$ 197,366.97</u>	<u>\$ 196,596.00</u>	<u>\$ 770.97</u>
EXPENDITURES				
ARRA Salaries	\$ -	\$ -	\$ -	\$ -
Instructional		100,000.00	45,000.00	(55,000.00)
Transfers	<u>110,000.00</u>	<u>85,000.00</u>	<u>140,000.00</u>	<u>55,000.00</u>
TOTAL EXPENDITURES	<u>\$ 110,000.00</u>	<u>\$ 185,000.00</u>	<u>\$ 185,000.00</u>	<u>\$ -</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (6,785.24)	\$ 12,366.97		
UNENCUMBERED CASH, BEGINNING	<u>6,848.49</u>	<u>63.25</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 63.25</u>	<u>\$ 12,430.22</u>		

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

SUMMARY OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

AT RISK (4yr. Old) FUND

	Prior Year Actual	CURRENT YEAR		Variance Favorable (Unfavorable)
		Actual	Budget	
CASH RECEIPTS				
Transfers	\$ 25,000.00	\$ 13,630.00	\$ 25,000.00	\$ (11,370.00)
TOTAL CASH RECEIPTS	\$ 25,000.00	\$ 13,630.00	\$ 25,000.00	\$ (11,370.00)
EXPENDITURES				
Instruction	\$ 25,000.00	\$ 13,630.00	\$ 25,000.00	11,370.00
TOTAL EXPENDITURES	\$ 25,000.00	\$ 13,630.00	\$ 25,000.00	\$ 11,370.00
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ -	\$ -		
UNENCUMBERED CASH, BEGINNING	-	-		
UNENCUMBERED CASH, ENDING	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

SUMMARY OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

AT RISK (K-12) FUND

	Prior Year Actual	CURRENT YEAR		
		Actual	Budget	Variance Favorable (Unfavorable)
CASH RECEIPTS				
Transfers	\$ 240,817.80	\$ 220,039.77	\$ 260,000.00	\$ (39,960.23)
TOTAL CASH RECEIPTS	\$ 240,817.80	\$ 220,039.77	\$ 260,000.00	\$ (39,960.23)
EXPENDITURES				
Instruction	\$ 240,818.79	\$ 220,039.77	\$ 260,000.00	\$ 39,960.23
TOTAL EXPENDITURES	\$ 240,818.79	\$ 220,039.77	\$ 260,000.00	\$ 39,960.23
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (0.99)	\$ -		
UNENCUMBERED CASH, BEGINNING	0.99	(0.00)		
UNENCUMBERED CASH, ENDING	-\$ 0.00	-\$ 0.00		

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

VOCATIONAL EDUCATION FUND

	Prior Year Actual	CURRENT YEAR		Variance Favorable (Unfavorable)
		Actual	Budget	
CASH RECEIPTS				
Transfers	\$ 108,144.94	\$ 86,400.42	\$ 120,000.00	\$ (33,599.58)
TOTAL CASH RECEIPTS	\$ 108,144.94	\$ 86,400.42	\$ 120,000.00	\$ (33,599.58)
EXPENDITURES				
Instruction	\$ 108,182.47	\$ 100,474.48	\$ 144,961.00	\$ 44,486.52
TOTAL EXPENDITURES	\$ 108,182.47	\$ 100,474.48	\$ 144,961.00	\$ 44,486.52
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (37.53)	\$ (14,074.06)		
UNENCUMBERED CASH, BEGINNING	24,998.80	24,961.27		
UNENCUMBERED CASH, ENDING	\$ 24,961.27	\$ 10,887.21		

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

SPECIAL EDUCATION FUND

	Prior Year Actual	CURRENT YEAR		Variance Favorable (Unfavorable)
		Actual	Budget	
CASH RECEIPTS				
Transfers	\$ 335,738.43	\$ 344,872.41	\$ 314,700.00	\$ 30,172.41
Reimbursements	-	-	-	-
TOTAL CASH RECEIPTS	<u>\$ 335,738.43</u>	<u>\$ 344,872.41</u>	<u>\$ 314,700.00</u>	<u>\$ 30,172.41</u>
EXPENDITURES				
Instruction	\$ 326,481.00	\$ 340,500.00	\$ 393,500.00	\$ 53,000.00
Transportation	<u>9,050.00</u>	<u>7,203.00</u>	<u>9,031.00</u>	<u>1,828.00</u>
TOTAL EXPENDITURES	<u>\$ 335,531.00</u>	<u>\$ 347,703.00</u>	<u>\$ 402,531.00</u>	<u>\$ 54,828.00</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 207.43	\$ (2,830.59)		
UNENCUMBERED CASH, BEGINNING	<u>87,623.16</u>	<u>87,830.59</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 87,830.59</u>	<u>\$ 85,000.00</u>		

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

FOOD SERVICE FUND

	Prior Year Actual	CURRENT YEAR		Variance Favorable (Unfavorable)
		Actual	Budget	
CASH RECEIPTS				
Federal Aid	\$ 81,804.75	\$ 80,202.22	\$ 81,173.00	\$ (970.78)
State Aid	1,048.63	989.97	1,016.00	(26.03)
Food Service	20,149.74	21,047.54	30,413.00	(9,365.46)
Transfers	<u>49,018.36</u>	<u>53,494.60</u>	<u>20,000.00</u>	<u>33,494.60</u>
TOTAL CASH RECEIPTS	<u>\$ 152,021.48</u>	<u>\$ 155,734.33</u>	<u>\$ 132,602.00</u>	<u>\$ 23,132.33</u>
EXPENDITURES				
Food Service Operations	<u>\$ 147,021.48</u>	<u>\$ 155,734.33</u>	<u>\$ 172,602.00</u>	<u>\$ 16,867.67</u>
TOTAL EXPENDITURES	<u>\$ 147,021.48</u>	<u>\$ 155,734.33</u>	<u>\$ 172,602.00</u>	<u>\$ 16,867.67</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 5,000.00	\$ 0.00		
UNENCUMBERED CASH, BEGINNING	<u>35,000.00</u>	<u>40,000.00</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 40,000.00</u>	<u>\$ 40,000.00</u>		

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

SUMMARY OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

DRIVER TRAINING FUND

	Prior Year Actual	CURRENT YEAR		
		Actual	Budget	Variance Favorable (Unfavorable)
CASH RECEIPTS				
State of Kansas	\$ -	\$ 1,974.00	\$ 1,850.00	\$ 124.00
Fees	1,100.00	600.00		600.00
Transfer	2,687.84	934.64	-	934.64
TOTAL CASH RECEIPTS	\$ 3,787.84	\$ 3,508.64	\$ 1,850.00	\$ 1,658.64
EXPENDITURES				
Instruction	\$ 3,503.13	\$ 3,476.13	\$ 6,050.00	\$ 2,573.87
Operations and Maintenance	284.71	182.51	450.00	267.49
TOTAL EXPENDITURES	\$ 3,787.84	\$ 3,658.64	\$ 6,500.00	\$ 2,841.36
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ -	\$ (150.00)		
UNENCUMBERED CASH, BEGINNING	4,650.00	4,650.00		
UNENCUMBERED CASH, ENDING	\$ 4,650.00	\$ 4,500.00		

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

SUMMARY OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

CAPITAL OUTLAY FUND

	Prior Year Actual	CURRENT YEAR		Variance Favorable (Unfavorable)
		Actual	Budget	
CASH RECEIPTS				
Delinquent Tax	\$ 4.88	\$ -	\$ -	\$ -
Interest Income	7,550.16	5,554.81		5,554.81
Miscellaneous	791.00	6,498.33		6,498.33
Transfer	-	-	-	-
TOTAL CASH RECEIPTS	<u>\$ 8,346.04</u>	<u>\$ 12,053.14</u>	<u>\$ -</u>	<u>\$ 12,053.14</u>
EXPENDITURES				
Repair and Remodeling	\$ -	\$ -	\$ 50,000.00	\$ 50,000.00
Transportation Equipment	-	-		-
Instruction Equipment	-	16,936.39	107,387.00	90,450.61
School Administration	-	-	50,000.00	50,000.00
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 16,936.39</u>	<u>\$ 207,387.00</u>	<u>\$ 190,450.61</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 8,346.04	\$ (4,883.25)		
UNENCUMBERED CASH, BEGINNING	<u>199,041.10</u>	<u>207,387.14</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 207,387.14</u>	<u>\$ 202,503.89</u>		

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.



UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

PROFESSIONAL DEVELOPMENT FUND

	Prior Year Actual	CURRENT YEAR		Variance Favorable (Unfavorable)
		Actual	Budget	
CASH RECEIPTS				
State Aid	\$ 3,608.70	\$ -	\$ -	\$ -
Transfers	-	2,014.65	-	2,014.65
TOTAL CASH RECEIPTS	\$ 3,608.70	\$ 2,014.65	\$ -	\$ 2,014.65
EXPENDITURES				
Instruction Support Services	\$ 3,572.64	\$ 4,050.71	\$ 10,036.00	\$ 5,985.29
TOTAL EXPENDITURES	\$ 3,572.64	\$ 4,050.71	\$ 10,036.00	\$ 5,985.29
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 36.06	\$ (2,036.06)		
UNENCUMBERED CASH, BEGINNING	10,000.00	10,036.06		
UNENCUMBERED CASH, ENDING	\$ 10,036.06	\$ 8,000.00		

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

PARENT EDUCATION FUND

	Prior Year Actual	CURRENT YEAR		Variance Favorable (Unfavorable)
		Actual	Budget	
CASH RECEIPT				
Transfers	\$ 2,320.00	\$ -	\$ -	\$ -
TOTAL CASH RECEIPTS	\$ 2,320.00	\$ -	\$ -	\$ -
EXPENDITURES				
Instruction Support Services	\$ 2,320.00	\$ 3,100.00	\$ 3,500.00	\$ 400.00
TOTAL EXPENDITURES	\$ 2,320.00	\$ 3,100.00	\$ 3,500.00	\$ 400.00
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ -	\$ (3,100.00)		
UNENCUMBERED CASH, BEGINNING	3,500.00	3,500.00		
UNENCUMBERED CASH, ENDING	\$ 3,500.00	\$ 400.00		

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

KPERS RETIREMENT CONTRIBUTION FUND

	Prior Year Actual	CURRENT YEAR		Variance Favorable (Unfavorable)
		Actual	Budget	
CASH RECEIPT				
State of Kansas	\$ 56,893.86	\$ 85,708.57	\$ 103,547.00	\$ (17,838.43)
TOTAL CASH RECEIPTS	\$ 56,893.86	\$ 85,708.57	\$ 103,547.00	\$ (17,838.43)
EXPENDITURES				
KPERS Contributions	\$ 56,893.86	\$ 85,708.57	\$ 103,547.00	\$ 17,838.43
TOTAL EXPENDITURES	\$ 56,893.86	\$ 85,708.57	\$ 103,547.00	\$ 17,838.43
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ -	\$ -		
UNENCUMBERED CASH, BEGINNING	-	-		
UNENCUMBERED CASH, ENDING	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

CONTINGENCY RESERVE FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Transfers	\$ -	\$ -
TOTAL CASH RECEIPTS	\$ -	\$ -
EXPENDITURES		
Supplies	\$ 9,000.00	\$ -
Transfers	-	36,746.78
TOTAL EXPENDITURES	\$ 9,000.00	\$ 36,746.78
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (9,000.00)	\$ (36,746.78)
UNENCUMBERED CASH, BEGINNING	208,780.00	199,780.00
UNENCUMBERED CASH, ENDING	\$ 199,780.00	\$ 163,033.22

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

TEXTBOOK RENTAL FUND

	Prior Year	Current Year
CASH RECEIPTS		
Rental Fees	\$ 2,130.00	\$ 2,375.00
Transfers	-	-
TOTAL CASH RECEIPTS	<u>\$ 2,130.00</u>	<u>\$ 2,375.00</u>
EXPENDITURES		
Instruction	\$ -	\$ 7,238.95
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 7,238.95</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	<u>\$ 2,130.00</u>	<u>\$ (4,863.95)</u>
UNENCUMBERED CASH, BEGINNING	<u>14,465.90</u>	<u>16,595.90</u>
UNENCUMBERED CASH, ENDING	<u><u>\$ 16,595.90</u></u>	<u><u>\$ 11,731.95</u></u>

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

SMALL RURAL SCHOOL GRANT FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Grant	\$ 13,705.00	\$ 13,868.00
TOTAL CASH RECEIPTS	\$ 13,705.00	\$ 13,868.00
EXPENDITURES		
Instruction	\$ 13,705.00	\$ 13,868.00
TOTAL EXPENDITURES	\$ 13,705.00	\$ 13,868.00
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ -	\$ -
UNENCUMBERED CASH, BEGINNING	-	-
UNENCUMBERED CASH, ENDING	\$ -	\$ -

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

GRANTS FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Grants	\$ -	\$ 4,006.91
Federal - ARRA	24,911.00	-
TOTAL CASH RECEIPTS	<u>\$ 24,911.00</u>	<u>\$ 4,006.91</u>
EXPENDITURES		
ARRA Salaries	\$ 24,911.00	\$ -
Instruction Expenses		4,006.91
TOTAL EXPENDITURES	<u>\$ 24,911.00</u>	<u>\$ 4,006.91</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>
UNENCUMBERED CASH, BEGINNING	<u>-</u>	<u>-</u>
UNENCUMBERED CASH, ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
CASH RECEIPTS		
Federal Aid	<u>\$ 77,018.00</u>	<u>\$ 76,278.00</u>
TOTAL CASH RECEIPTS	<u>\$ 77,018.00</u>	<u>\$ 76,278.00</u>
EXPENDITURES		
Instruction	<u>\$ 77,018.00</u>	<u>\$ 76,278.00</u>
TOTAL EXPENDITURES	<u>\$ 77,018.00</u>	<u>\$ 76,278.00</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>
UNENCUMBERED CASH, BEGINNING	<u>-</u>	<u>-</u>
UNENCUMBERED CASH, ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>



UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

TITLE IIA FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Federal Aid	\$ 14,612.00	\$ 12,451.00
TOTAL CASH RECEIPTS	\$ 14,612.00	\$ 12,451.00
EXPENDITURES		
Instruction	\$ 14,612.00	\$ 12,451.00
TOTAL EXPENDITURES	\$ 14,612.00	\$ 12,451.00
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ -	\$ -
UNENCUMBERED CASH, BEGINNING	-	-
UNENCUMBERED CASH, ENDING	\$ -	\$ -

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

SUMMARY OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

BOND AND INTEREST FUND

	Prior Year Actual	CURRENT YEAR		Variance Favorable (Unfavorable)
		Actual	Budget	
CASH RECEIPT				
Ad Valorem Tax	\$ 75,025.66	\$ 85,179.69	\$ 96,131.00	\$ (10,951.31)
Delinquent Tax	1,937.13	952.04	1,491.00	(538.96)
Motor Vehicle Tax	11,301.67	10,289.82	6,615.00	3,674.82
Other Taxes	203.22	259.71	126.00	133.71
State of Kansas	22,799.00	27,224.00	27,224.00	-
Miscellaneous Revenue	-	6,333.21	-	6,333.21
				-
TOTAL CASH RECEIPTS	\$ 111,266.68	\$ 130,238.47	\$ 131,587.00	\$ (1,348.53)
EXPENDITURES				
Principal	\$ 90,000.00	\$ 95,000.00	\$ 95,000.00	\$ -
Interest	52,492.50	28,683.75	48,283.00	19,599.25
Commission & Postage	-	-	-	-
TOTAL EXPENDITURES	\$ 142,492.50	\$ 123,683.75	\$ 143,283.00	\$ 19,599.25
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (31,225.82)	\$ 6,554.72		
UNENCUMBERED CASH, BEGINNING	278,495.30	247,269.48		
UNENCUMBERED CASH, ENDING	\$ 247,269.48	\$ 253,824.20		

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

For the Year Ended June 30, 2012

AGENCY FUNDS

<u>Fund</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Outstanding Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>	<u>Fund</u>
Class of 2010	\$ 3.19		\$ 3.19	\$ -	\$ -	\$ -	Class of 2010
Class of 2012	3,590.08	6,792.25	10,382.33	-	-	-	Class of 2012
Class of 2013	1,889.41	9,368.58	9,230.54	2,027.45	-	2,027.45	Class of 2013
Class of 2014	275.40	387.40	57.74	605.06	-	605.06	Class of 2014
Class of 2015	40.82	307.00	80.30	267.52	-	267.52	Class of 2015
Class of 2016	25.42			25.42	-	25.42	Class of 2016
Class of 2017	74.65		47.56	27.09	-	27.09	Class of 2017
Class of 2018	118.60		90.00	28.60	-	28.60	Class of 2018
Class of 2019	-	154.45	90.90	63.55	-	63.55	Class of 2019
FFA	247.48	8,800.39	7,497.23	1,550.64	-	1,550.64	FFA
Student Council	2,119.46	115.15	1,799.46	435.15	-	435.15	Student Council
Yearbook	990.18	7,809.04	7,085.80	1,713.42	-	1,713.42	Yearbook
Cheerleaders-High School	963.53	330.65	985.78	308.40	-	308.40	Cheerleaders-High School
Flag Team	8.23			8.23	-	8.23	Flag Team
Jr. High Student Council	362.14	576.19	714.49	362.14	-	362.14	Jr. High Student Council
Cheerleaders-Jr. High	322.58			184.28	-	184.28	Cheerleaders-Jr. High
KFEA	32.16	5.00		37.16	-	37.16	KFEA
FHA	101.95	927.75	740.95	288.75	-	288.75	FHA
Accelerated Readers Club	61.14	4,572.50	3,400.22	1,233.42	-	1,233.42	Accelerated Readers Club
SADD	336.19	2,701.41	2,507.36	530.24	-	530.24	SADD
Music	1,035.39	898.82	23.21	1,911.00	-	1,911.00	Music
Drama	770.78	1,024.00	848.72	946.06	-	946.06	Drama
Resale	-	1,512.97	1,512.97	-	-	-	Resale
Breakfast of Champions	31.32			31.32	-	31.32	Breakfast of Champions
Safe Program		500.00	499.98	0.02	-	0.02	Safe Program
FBLA	30.27			30.27	-	30.27	FBLA
FBL	6.83			6.83	-	6.83	FBL
Forensics	4.40			4.40	-	4.40	Forensics
Box Tops Education	871.67	223.40	252.59	842.48	-	842.48	Box Tops Education
Library	100.00			100.00	-	100.00	Library
National Honor Society	268.92	-	-	268.92	-	268.92	National Honor Society
<b>TOTAL AGENCY FUNDS</b>	<b>\$ 14,682.19</b>	<b>\$ 47,006.95</b>	<b>\$ 47,851.32</b>	<b>\$ 13,837.82</b>	<b>\$ -</b>	<b>\$ 13,837.82</b>	<b>TOTAL AGENCY FUNDS</b>

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

For the Year Ended June 30, 2012

DISTRICT ACTIVITY FUNDS

<u>Fund</u>	Beginning Unencumbered Cash Balance	Cash Receipts	Cash Expenditures	Ending Unencumbered Encumbrances		<u>Fund</u>
				Cash Balance	Payable and Accounts Unencumbered	
Gate Receipts						
Track	\$ -	\$ 826.00	\$ 826.00	\$ -	\$ -	Gate Receipts Track
Volleyball	-	200.00	200.00	-	-	Volleyball
Other Athletics	-	2,600.00	2,600.00	-	-	Other Athletics
Officials of all Sports	-	9,504.38	9,504.38	-	-	Officials of all Sports
Total Gate Receipts	\$ -	\$ 13,130.38	\$ 13,130.38	\$ -	\$ -	Total Gate Receipts
School Projects						
Moon Buggy Project	\$ -	\$ 2,455.24	\$ 1,890.00	\$ 565.24	\$ -	School Projects Moon Buggy Project
Total School Projects	\$ -	\$ 2,455.24	\$ 1,890.00	\$ 565.24	\$ -	Total School Projects
Total District Activity Funds	\$ -	\$ 15,585.62	\$ 15,020.38	\$ 565.24	\$ -	Total District Activity Funds

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. REPORTING ENTITY

Unified School District No. 283 is a municipal corporation governed by an elected seven-member board.

The District's summary of cash receipts, cash disbursements, and unencumbered cash include the accounts of all District operations. The District's major operations include primary and secondary education of young people in the Longton, Kansas school district. The scope of the entity for financial reporting purposes is designed as those funds for which the District has oversight responsibility and is primarily accountable. Oversight responsibility includes budgetary authority and fiscal management responsibility. Budgetary authority is defined as authority for final approval of budgetary appropriations and revisions. Fiscal management responsibility is control of the collection and disbursement of funds.

2. REIMBURSEMENTS

The Unified School District No. 283 records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements.

3. BASIS OF PRESENTATION-FUND ACCOUNTING

A fund is defined as an independent fiscal 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 Unified School District 283, Longton, Kansas, for the year ended June 30, 2012.

Governmental Funds:

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

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

Debt Service Funds--to account for the accumulation of resources for, and the payment of, interest and principal on long-term debt, and the financing of special assessments which are general obligations of the Unified School District 283.

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (Continued)

Fiduciary Type Funds:

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

4. 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 except as disclosed below. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

The Kansas Legislature passed a law (K.S.A. 72-6417(d) and K.S.A. 72-6434(d)) requiring all school districts to record as received by June 30 of each fiscal year all required state aid distributions for that year made by the Kansas Department of Education regardless of when received by the School District. For the current audit period, the State of Kansas did not make its final state aid distribution until July 6, 2012, in the amount of \$142,371.00, and the District recorded this as a June 30, 2012 receipt. Under accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, this money should have been receipted in the fiscal year ended June 30, 2013.

The municipality has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the annual requirement for application of generally accepted accounting principles and fixed asset accounting for the year ended June 30, 2012, and allowing the District to use the statutory basis of accounting.

5. DEPARTURE FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

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

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (Continued)

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.

NOTE B - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

1. 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:

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5<sup>th</sup> of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- d. 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. The budget was not amended during the year ended June 30, 2012.

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. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

commitment, such as a purchase order or contract. All unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for the following Special Revenue Funds: Contingency Reserve Fund, Textbook Rental Fund, Small Rural School Grant Fund, Grants Fund, Title I Fund, Title IIA Fund, and the District Activity Funds.

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

2. COMPLIANCE WITH KANSAS STATUTES AND OTHER FINANCE RELATED  
LEGAL MATTERS

The District did not timely remit bond payment funds to the state fiscal agent at least 20 days prior to the principal and interest due date of February 1, 2012. This is a violation of K.S.A. 10-130.

Management is not aware of any other violations of compliance with Kansas Statutes or violations of other finance related legal matters.

NOTE C - 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 and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

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

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

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the



UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2012.

At year-end, the carrying amount of the District's deposits, including certificates of deposit, was \$836,578.23. The bank balance was \$787,971.86. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. The bank balance was held by one bank, resulting in a concentration of credit risk. Of the bank balance \$250,000.00 was covered by FDIC insurance, and \$537,971.86 was collateralized by pledged securities held by the pledging financial institution's agents in the District's name.

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

At June 30, 2012, the District had no investments.

NOTE D - INTERFUND TRANSFERS

Operating Transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	At Risk (4yr. Old)	K.S.A. 72-6428	\$ 13,630.00
General	At Risk (K-12)	K.S.A. 72-6428	220,039.77
General	Vocational Education	K.S.A. 72-6428	10,335.06
General	Special Education	K.S.A. 72-6428	344,872.41
General	Food Service	K.S.A. 72-6428	8,747.82
General	Professional Education	K.S.A. 72-6428	2,014.65
Supplemental General	Vocational Education	K.S.A. 72-6428	76,065.36
Supplemental General	Food Service	K.S.A. 72-6428	8,000.00
Supplemental General	Drivers Education	K.S.A. 72-6428	934.64
Contingency Reserve	Food Service	K.S.A. 72-6428	36,746.78

NOTE E – LONG-TERM DEBT

The District issued General Obligation Refunding Bonds dated February 1, 2012 (Series 2012) during the June 30, 2012 fiscal year. The purpose of these bonds was to refinance school improvement bonds dated April 1, 1999. The maturity date of the Series 2012 bonds coincide with the April 1, 1999 bonds. The interest savings to the District is approximately \$110,000.00.

UNIFIED SCHOOL DISTRICT NO. 283  
LONGTON, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2012

NOTE E - LONG TERM DEBT

Changes in long-term debt liabilities for the District for the year ended June 30, 2012, were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Net Change</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
GENERAL OBLIGATION BONDS										
School Improvement	4.2 - 6%	4/1/99	\$ 1,800,000.00	10/1/2019	\$ 1,135,000.00	\$ -	\$ 90,000.00	\$ (90,000.00)	\$ 1,045,000.00	\$ 52,492.50
Total long-term debt										
					\$ 1,135,000.00	\$ -	\$ 90,000.00	\$ (90,000.00)	\$ 1,045,000.00	\$ 52,492.50

UNIFIED SCHOOL DISTRICT NO. 283  
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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2012

NOTE E - LONG TERM DEBT (cont'd)

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

	Year 6/30 <u>2012</u>	Year 6/30 <u>2013</u>	Year 6/30 <u>2014</u>	Year 6/30 <u>2015</u>	Year 6/30 <u>2016</u>	Year 6/30 <u>2017-2020</u>	<u>TOTAL</u>
PRINCIPAL							
GO Bonds --							
School Improvement	\$ 95,000.00	\$ 100,000.00	\$ 105,000.00	\$ 110,000.00	\$ 115,000.00	\$ 520,000.00	\$ 1,045,000.00
INTEREST							
GO Bonds --							
School Improvement	<u>48,282.50</u>	<u>43,772.50</u>	<u>39,006.25</u>	<u>33,952.50</u>	<u>28,580.00</u>	<u>53,660.00</u>	<u>247,253.75</u>
TOTAL PRINCIPAL AND INTEREST	<u>\$ 143,282.50</u>	<u>\$ 143,772.50</u>	<u>\$ 144,006.25</u>	<u>\$ 143,952.50</u>	<u>\$ 143,580.00</u>	<u>\$ 573,660.00</u>	<u>\$ 1,292,253.75</u>

UNIFIED SCHOOL DISTRICT NO. 283  
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NOTES TO FINANCIAL STATEMENTS

June 30, 2012

NOTE F - 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 for which the District carried commercial insurance. Settlements of claims resulting from the risks have not exceeded coverage in any of the past three fiscal years.

NOTE G - 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. 74-4701, et seq. KPERS provide 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 establishes the KPERS member-employee contribution rate at 4% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to 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 9.77% of covered payroll. 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, 2012, 2011, and 2010 were \$298,635,383, \$253,834,044, and \$248,848,186, respectively, equal to the required contributions for each year as set forth by the State legislature. The amounts attributable to the District for the years ending June 30, 2012, 2011 and 2010 were \$85,708.57, \$58,893.86, and \$64,719.87.

NOTE H - COMPENSATED ABSENCES

EMPLOYEE VACATION AND SICK PAY

All full time employees rendering service throughout the entire year are eligible for vacation benefits varying from one (1) week vacation to three (3) weeks' vacation. Vacation benefits are determined based on years of employment. Unused vacation earned during the current year cannot be carried over beyond the end of the succeeding year after it was earned. There is no provision for monetary reimbursement for unused vacation.

First year employees earn up to 96 hours (12 days) personal leave at a rate of one day per month of employment plus one day for the first day of employment. Employees are credited with 96 hours (12 days) personal leave at the beginning of their second year of employment and each following year up to a maximum of 400 hours (50 days). In the event a classified employee does not work an eight hour day, the hours will be prorated for 12 days at the number of hours per day worked.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2012

NOTE H - COMPENSATED ABSENCES (Continued)

Personal leave days are used for "sick leave" or as personal discretionary leave, and no designations are made. Leave will be charged against a bank of \$360.00 at a rate of \$3.75 or \$240.00 or at a rate of \$2.50 per hour for certified and classified personnel, respectively.

Leave can be accumulated to a maximum of 96 hours (12 days) per year to a maximum of 400 hours (50 days). Accumulated days have no cash value. At the end of each year the employee shall receive the balance of the \$360.00 bank or \$240.00 bank for certified or classified personnel, respectively, or accumulate leave days. Absences beyond this amount must be approved by the Superintendent or Board.

The liability for accrued vacation and sick pay is not reflected on the financial statements. Neither the actual or estimated amount of the liability could be reasonably estimated at June 30, 2012. The cost of vacation and sick pay are recognized as expenditures when paid.

NOTE I – FLEXIBLE BENEFIT PLAN (I.R.C. SECTION 125)

The Board adopted a salary-reduction flexible benefit plan under Section 125 of the Internal Revenue Code. All full time employees of the District are eligible to participate in the plan beginning the first day of the month following employment. Each employee may elect to reduce his or her salary to purchase benefits through the plan. Currently benefits offered through the plan involve health insurance, childcare expenses and unreimbursed medical expenses.

NOTE J – OTHER POST EMPLOYMENT BENEFITS

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to 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.

NOTE K – USE OF ESTIMATES

The preparation of statutory basis financial statements required management to make estimates and assumptions that affect the reported amounts of expenditures during the audit period, encumbrances outstanding and disclosure of contingencies at the end of the audit period. Actual results could differ from the estimates.