

**UNIFIED SCHOOL DISTRICT NO. 371**  
**Montezuma, Kansas 67867**

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

**VONFELDT, BAUER & VONFELDT, CHTD.**  
**Certified Public Accountants**  
**Larned, Kansas 67550**

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS

Financial Statements  
For the Year Ended June 30, 2012

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## INDEPENDENT AUDITORS' REPORT

Board of Education  
Unified School District No. 371  
Montezuma, Kansas 67867

We have audited the accompanying primary government financial statements of Unified School District No. 371, Montezuma, Kansas, as of and for the year ended June 30, 2012, which collectively comprise the basic financial statements of the District's primary government as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year partial (and summarized) comparative financial information has been derived from the District's June 30, 2011 financial statements and, in our report dated January 3, 2012, we expressed an unqualified opinion on the financial statements taken as a whole.

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 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 reasonably determinable, is presumed to be material.

As discussed more fully in Note 1, Unified School District No. 371, Montezuma, Kansas 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, are presumed to be material.

In our opinion, because of the omission of the discretely presented component units, as discussed above, and because of the effects of the matter discussed in the preceding paragraph, 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. 371, Montezuma, Kansas as of June 30, 2012, the changes in its financial position, or where applicable, its cash flows for the year then ended.

In addition, 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. 371, Montezuma, Kansas, as of June 30, 2012 and its cash receipts and expenditures, and budget to actual comparisons for the year then ended, taken as a whole, on the basis of accounting described in Note 1.

The schedules presented as additional information in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The additional schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

VONFELDT, BAUER & VONFELDT, CHTD.  
Certified Public Accountants

December 28, 2012

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
Summary of Cash Receipts, Expenditures and Unencumbered Cash  
For the Year Ended June 30, 2012

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances
Governmental Type Funds:		
General Funds:		
General Fund	\$ (106,112.53)	\$ 0.00
Supplemental General Fund	23,132.21	0.00
Special Revenue Funds:		
At-Risk (4 Yr Old) Fund	32,493.17	0.00
At-Risk Fund	83,292.70	0.00
Bilingual Education Fund	68,454.11	0.00
Capital Outlay Fund	357,977.84	0.00
Driver Training Fund	15,885.05	0.00
Food Service Fund	37,370.14	0.00
Professional Development Fund	27,260.78	0.00
Special Education Fund	148,392.65	0.00
Vocational Education Fund	46,353.44	0.00
Gifts & Grants Fund	653,146.97	0.00
KPERS Special Retirement Fund	0.00	0.00
Contingency Reserve Fund	190,275.00	0.00
Textbook Rental Fund	28,112.01	0.00
Recreation Commission Fund	15,341.87	0.00
Recreation Commission Employee Benefit Fund	2,442.27	0.00
Title I Fund	0.00	0.00
Title I Migrant Fund	0.00	0.00
Title II - A Fund	0.00	0.00
Title II - D Fund	0.00	0.00
Title III Fund	0.00	0.00
REAP Grant Fund	0.00	0.00
District Activity Funds	3,388.20	0.00
Debt Service Fund:		
Bond & Interest Fund	264,786.18	0.00
Fiduciary Funds:		
Private-purpose Trust Fund:		
Payroll Clearing Fund	0.00	0.00
Total Primary Government (Excluding Agency Funds-Memorandum Only)	<u>\$ 1,891,992.06</u>	<u>\$ 0.00</u>

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

Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Encumbrances and Accounts Payable	Ending Cash Balance
\$ 1,816,059.21	\$ 1,896,306.68	\$ (186,360.00)	\$ 16,000.41	\$ (170,359.59)
654,893.16	642,005.44	36,019.93	8,404.21	44,424.14
33,000.00	31,386.27	34,106.90	0.00	34,106.90
133,193.02	136,277.73	80,207.99	366.83	80,574.82
115,000.00	121,148.13	62,305.98	472.23	62,778.21
112,081.95	149,943.05	320,116.74	8,552.07	328,668.81
9,751.00	13,409.91	12,226.14	0.00	12,226.14
156,202.78	149,282.67	44,290.25	5,471.57	49,761.82
5,000.00	16,079.80	16,180.98	375.34	16,556.32
175,755.59	188,819.54	135,328.70	0.00	135,328.70
70,335.00	85,144.47	31,543.97	0.00	31,543.97
156,501.52	823.00	808,825.49	1,336.00	810,161.49
165,296.29	165,296.29	0.00	0.00	0.00
0.00	0.00	190,275.00	0.00	190,275.00
4,909.00	1,127.52	31,893.49	0.00	31,893.49
72,933.29	68,000.00	20,275.16	0.00	20,275.16
9,396.52	8,500.00	3,338.79	0.00	3,338.79
39,570.00	39,570.00	0.00	0.00	0.00
14,906.00	14,906.00	0.00	0.00	0.00
10,153.00	10,153.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00
18,058.00	18,058.00	0.00	0.00	0.00
67,287.36	65,683.18	4,992.38	0.00	4,992.38
268,343.89	274,000.00	259,130.07	0.00	259,130.07
0.00	0.00	0.00	0.00	0.00
<u>\$ 4,108,626.58</u>	<u>\$ 4,095,920.68</u>	<u>\$ 1,904,697.96</u>	<u>\$ 40,978.66</u>	<u>\$ 1,945,676.62</u>

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
Summary of Cash Receipts, Expenditures and Unencumbered Cash  
For the Year Ended June 30, 2012

Balance to be accounted for:	<u>\$ 1,945,676.62</u>
Composition of Cash:	
Board Accounts:	
NOW Account - Montezuma State Bank, Montezuma, Kansas	\$ 1,660,747.98
Less Outstanding Checks	(264,063.74)
Certificate of Deposits - Montezuma State Bank, Montezuma, Kansas	544,000.00
Activity Fund Account:	
NOW Account - Montezuma State Bank, Montezuma, Kansas (Reconciled)	<u>40,674.91</u>
Total Cash	1,981,359.15
Total Agency Funds per Statement 4	<u>(35,682.53)</u>
Total Primary Government Excluding Agency Funds	<u>\$ 1,945,676.62</u>

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
Summary of Expenditures - Actual and Budget  
(Budgeted Funds Only)  
For the Year Ended June 30, 2012

Funds	Certified Budget	Adjustment to Comply with Legal Max
Governmental Type Funds:		
General Funds:		
General Fund	\$ 1,907,766.00	\$ (29,106.00)
Supplemental General Fund	630,878.00	0.00
Special Revenue Funds:		
At-Risk (4 Yr Old) Fund	57,494.00	XXXXXXXXXX
At-Risk Fund	210,600.00	XXXXXXXXXX
Bilingual Education Fund	176,600.00	XXXXXXXXXX
Capital Outlay Fund	437,560.00	XXXXXXXXXX
Driver Training Fund	29,535.00	XXXXXXXXXX
Food Service Fund	179,000.00	XXXXXXXXXX
Professional Development Fund	33,855.00	XXXXXXXXXX
Special Education Fund	391,904.00	XXXXXXXXXX
Vocational Education Fund	131,100.00	XXXXXXXXXX
KPERS Special Retirement Fund	193,704.00	XXXXXXXXXX
Recreation Commission Fund	68,000.00	XXXXXXXXXX
Recreation Commission Employee Benefit Fund	8,500.00	XXXXXXXXXX
Debt Service Fund:		
Bond & Interest Fund	275,000.00	XXXXXXXXXX

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

## Statement 2

Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
\$ 17,646.80	\$ 1,896,306.80	\$ 1,896,306.68	\$ (0.12)
11,127.44	642,005.44	642,005.44	0.00
0.00	57,494.00	31,386.27	(26,107.73)
0.00	210,600.00	136,277.73	(74,322.27)
0.00	176,600.00	121,148.13	(55,451.87)
0.00	437,560.00	149,943.05	(287,616.95)
0.00	29,535.00	13,409.91	(16,125.09)
0.00	179,000.00	149,282.67	(29,717.33)
0.00	33,855.00	16,079.80	(17,775.20)
0.00	391,904.00	188,819.54	(203,084.46)
0.00	131,100.00	85,144.47	(45,955.53)
0.00	193,704.00	165,296.29	(28,407.71)
0.00	68,000.00	68,000.00	0.00
0.00	8,500.00	8,500.00	0.00
0.00	275,000.00	274,000.00	(1,000.00)

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
GENERAL FUND  
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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 276,532.44	\$ 292,278.01	\$ 275,335.00	\$ 16,943.01
Delinquent Tax	2,727.49	1,098.78	2,833.00	(1,734.22)
Mineral Tax	378.54	570.62	500.00	70.62
Local Sources:				
Reimbursements	88,000.21	17,646.80	0.00	17,646.80
State Aid:				
Equalization Aid	1,445,625.00	1,360,350.00	1,456,598.00	(96,248.00)
Special Education Aid	126,204.00	143,190.00	172,500.00	(29,310.00)
Federal Aid:				
ARRA	38,094.00	0.00	0.00	0.00
Education Jobs Grant	66,702.00	925.00	0.00	925.00
Total Cash Receipts	<u>2,044,263.68</u>	<u>1,816,059.21</u>	<u>\$ 1,907,766.00</u>	<u>\$ (91,706.79)</u>
Expenditures				
Instruction	879,666.04	864,637.11	942,606.00	(77,968.89)
Student Support Services	30,851.95	32,951.24	31,450.00	1,501.24
Instructional Support Staff	66,784.32	43,014.82	26,500.00	16,514.82
General Administration	192,199.06	195,190.28	198,500.00	(3,309.72)
School Administration	210,064.58	214,668.82	213,750.00	918.82
Operations & Maintenance	155,565.99	181,421.72	153,050.00	28,371.72
Vehicle Operating Services	83,074.83	95,063.06	86,800.00	8,263.06
Vehicle & Maintenance Services	19,607.91	14,580.37	20,000.00	(5,419.63)
Operating Transfers	352,937.53	254,779.26	235,110.00	19,669.26
Adjustment to Comply with Legal Max			(29,106.00)	29,106.00
Legal General Fund Budget	1,990,752.21	1,896,306.68	1,878,660.00	17,646.68
Adjustment for Qualifying Budget Credits			17,646.80	(17,646.80)
Total Expenditures	<u>1,990,752.21</u>	<u>1,896,306.68</u>	<u>\$ 1,896,306.80</u>	<u>\$ (0.12)</u>
Receipts Over (Under) Expenditures	53,511.47	(80,247.47)		
Unencumbered Cash, Beginning	<u>(159,624.00)</u>	<u>(106,112.53)</u>		
Unencumbered Cash, Ending	<u>\$ (106,112.53)</u>	<u>\$ (186,360.00)</u>	- See Note 3	

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
SUPPLEMENTAL GENERAL FUND  
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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 397,531.91	\$ 411,707.83	\$ 370,074.00	\$ 41,633.83
Delinquent Tax	3,830.71	1,897.09	4,081.00	(2,183.91)
Motor Veh./16-20M Veh. Tax	48,528.85	56,589.78	56,095.00	494.78
Recreational Vehicle Tax	826.21	914.02	949.00	(34.98)
Local Sources:				
Reimbursements	18,025.96	11,127.44	0.00	11,127.44
State Aid:				
Equalization Aid	<u>242,998.00</u>	<u>172,657.00</u>	<u>165,257.00</u>	<u>7,400.00</u>
Total Cash Receipts	<u>711,741.64</u>	<u>654,893.16</u>	<u>\$ 596,456.00</u>	<u>\$ 58,437.16</u>
Expenditures				
Instruction:				
Salaries	22,479.82	14,850.66	23,000.00	(8,149.34)
Employee Benefits	1,744.02	1,118.85	1,775.00	(656.15)
Purchased Professional Services	72,955.56	77,343.74	75,000.00	2,343.74
Supplies	30,775.29	28,430.52	10,570.00	17,860.52
Property (Equip & Furn)	2,882.84	23,639.15	0.00	23,639.15
General Administration:				
Purchased Property Services	2,010.09	5,577.00	2,500.00	3,077.00
Other Purchased Services	6,542.98	6,429.58	6,500.00	(70.42)
Supplies	1,545.74	977.28	2,000.00	(1,022.72)
School Administration:				
Purchased Professional Services	30.00	435.00	100.00	335.00
Other Purchased Services	5,388.06	5,239.73	5,100.00	139.73
Supplies	663.27	561.88	1,000.00	(438.12)
Operations & Maintenance:				
Purchased Property Services	34,691.64	20,739.59	15,500.00	5,239.59
Supplies	10,310.16	5,396.87	11,000.00	(5,603.13)
Heating	30,834.97	25,487.71	35,000.00	(9,512.29)
Electricity	24,660.04	19,407.68	25,000.00	(5,592.32)
Motor Fuel	1,540.61	2,167.80	2,000.00	167.80
Property (Equip & Furn)	593.71	0.00	0.00	0.00

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
SUPPLEMENTAL GENERAL FUND (Cont'd.)  
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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures (Cont'd.)				
Operating Transfers:				
To At-Risk (4 Yr Old)	25,000.00	33,000.00	25,000.00	8,000.00
To At-Risk	80,000.00	110,867.40	64,697.00	46,170.40
To Bilingual Education	157,026.84	115,000.00	108,146.00	6,854.00
To Driver Training	8,000.00	5,000.00	8,190.00	(3,190.00)
To Food Service	55,000.00	65,000.00	48,660.00	16,340.00
To Professional Development	6,000.00	5,000.00	6,000.00	(1,000.00)
To Special Education	42,753.32	0.00	69,394.00	(69,394.00)
To Vocational Education	41,833.00	70,335.00	84,746.00	(14,411.00)
Adjustment to Comply with Legal Max			0.00	0.00
Legal Supplemental General Fund Budget	665,261.96	642,005.44	630,878.00	11,127.44
Adjustment for Qualifying Budget Credits			11,127.44	(11,127.44)
Total Expenditures	<u>665,261.96</u>	<u>642,005.44</u>	<u>\$ 642,005.44</u>	<u>\$ 0.00</u>
Receipts Over (Under) Expenditures	46,479.68	12,887.72		
Unencumbered Cash, Beginning	(23,738.10)	23,132.21		
Prior Year Cancelled Encumbrances	<u>390.63</u>	<u>0.00</u>		
Unencumbered Cash, Ending	<u>\$ 23,132.21</u>	<u>\$ 36,019.93</u>	- See Note 3	

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
AT-RISK (4 YR OLD) FUND  
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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Operating Transfers:				
From General	\$ 20,000.00	\$ 0.00	\$ 0.00	\$ 0.00
From Supplemental General	<u>25,000.00</u>	<u>33,000.00</u>	<u>25,000.00</u>	<u>8,000.00</u>
Total Cash Receipts	<u>45,000.00</u>	<u>33,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 8,000.00</u>
Expenditures				
Instruction:				
Salaries	30,350.45	28,793.73	31,000.00	(2,206.27)
Employee Benefits	2,354.43	2,529.86	2,800.00	(270.14)
Supplies	0.00	62.68	0.00	62.68
Other	<u>0.00</u>	<u>0.00</u>	<u>23,694.00</u>	<u>(23,694.00)</u>
Total Expenditures	<u>32,704.88</u>	<u>31,386.27</u>	<u>\$ 57,494.00</u>	<u>\$ (26,107.73)</u>
Receipts Over (Under) Expenditures	12,295.12	1,613.73		
Unencumbered Cash, Beginning	<u>20,198.05</u>	<u>32,493.17</u>		
Unencumbered Cash, Ending	<u>\$ 32,493.17</u>	<u>\$ 34,106.90</u>		

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
AT-RISK FUND  
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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Operating Transfers:				
From General	\$ 50,000.00	\$ 22,325.62	\$ 62,610.00	\$ (40,284.38)
From Supplemental General	80,000.00	110,867.40	64,697.00	46,170.40
Total Cash Receipts	<u>130,000.00</u>	<u>133,193.02</u>	<u>\$ 127,307.00</u>	<u>\$ 5,886.02</u>
Expenditures				
Instruction:				
Salaries	108,160.04	121,842.23	111,000.00	10,842.23
Employee Benefits	8,914.95	8,944.89	9,600.00	(655.11)
Purchased Professional Services	0.00	297.00	0.00	297.00
Supplies	4,722.85	5,193.61	5,000.00	193.61
Other	0.00	0.00	85,000.00	(85,000.00)
Total Expenditures	<u>121,797.84</u>	<u>136,277.73</u>	<u>\$ 210,600.00</u>	<u>\$ (74,322.27)</u>
Receipts Over (Under) Expenditures	8,202.16	(3,084.71)		
Unencumbered Cash, Beginning	75,089.75	83,292.70		
Prior Year Cancelled Encumbrances	<u>0.79</u>	<u>0.00</u>		
Unencumbered Cash, Ending	<u>\$ 83,292.70</u>	<u>\$ 80,207.99</u>		

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
BILINGUAL EDUCATION FUND  
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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Operating Transfers:				
From General	\$ 7,859.00	\$ 0.00	\$ 0.00	\$ 0.00
From Supplemental General	<u>157,026.84</u>	<u>115,000.00</u>	<u>108,146.00</u>	<u>6,854.00</u>
Total Cash Receipts	<u>164,885.84</u>	<u>115,000.00</u>	<u>\$ 108,146.00</u>	<u>\$ 6,854.00</u>
Expenditures				
Instruction:				
Salaries	104,221.32	108,140.01	107,000.00	1,140.01
Employee Benefits	7,715.50	9,300.27	8,600.00	700.27
Other Purchased Services	225.00	1,080.00	0.00	1,080.00
Supplies	773.28	2,059.61	1,000.00	1,059.61
Other	<u>0.00</u>	<u>568.24</u>	<u>60,000.00</u>	<u>(59,431.76)</u>
Total Expenditures	<u>112,935.10</u>	<u>121,148.13</u>	<u>\$ 176,600.00</u>	<u>\$ (55,451.87)</u>
Receipts Over (Under) Expenditures	51,950.74	(6,148.13)		
Unencumbered Cash, Beginning	15,783.37	68,454.11		
Prior Year Cancelled Encumbrances	<u>720.00</u>	<u>0.00</u>		
Unencumbered Cash, Ending	<u>\$ 68,454.11</u>	<u>\$ 62,305.98</u>		

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
CAPITAL OUTLAY FUND  
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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 1,800.46	\$ 1,586.26	\$ 1,478.00	\$ 108.26
Delinquent Tax	398.32	70.59	15.00	55.59
Motor Veh./16-20M Veh. Tax	7,616.27	3,635.00	3,038.00	597.00
Recreational Vehicle Tax	129.71	54.21	51.00	3.21
Local Sources:				
Interest on Idle Funds	17,045.43	10,595.10	20,000.00	(9,404.90)
Other Revenue from Local Sources	42,508.06	36,553.15	55,000.00	(18,446.85)
Operating Transfer:				
From General	<u>75,000.00</u>	<u>59,587.64</u>	<u>0.00</u>	<u>59,587.64</u>
Total Cash Receipts	<u>144,498.25</u>	<u>112,081.95</u>	<u>\$ 79,582.00</u>	<u>\$ 32,499.95</u>
Expenditures				
Instruction:				
Property (Equip & Furn)	9,164.02	9,349.54	250,000.00	(240,650.46)
Transportation:				
Property (Equip & Buses)	6,685.80	85,853.13	150,000.00	(64,146.87)
Facility Acquis. & Constr. Services:				
Site Improvement Services	0.00	420.00	0.00	420.00
Building Improvements	<u>43,816.16</u>	<u>54,320.38</u>	<u>37,560.00</u>	<u>16,760.38</u>
Total Expenditures	<u>59,665.98</u>	<u>149,943.05</u>	<u>\$ 437,560.00</u>	<u>\$ (287,616.95)</u>
Receipts Over (Under) Expenditures	84,832.27	(37,861.10)		
Unencumbered Cash, Beginning	<u>273,145.57</u>	<u>357,977.84</u>		
Unencumbered Cash, Ending	<u>\$ 357,977.84</u>	<u>\$ 320,116.74</u>		

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
DRIVER TRAINING FUND  
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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Local Sources:				
Other Revenue from Local Sources	\$ 2,213.00	\$ 2,025.00	\$ 2,500.00	\$ (475.00)
State Aid:				
State Safety Aid	2,516.00	2,726.00	2,960.00	(234.00)
Operating Transfer:				
From Supplemental General	<u>8,000.00</u>	<u>5,000.00</u>	<u>8,190.00</u>	<u>(3,190.00)</u>
Total Cash Receipts	<u>12,729.00</u>	<u>9,751.00</u>	<u>\$ 13,650.00</u>	<u>\$ (3,899.00)</u>
Expenditures				
Instruction:				
Salaries	11,318.27	12,000.04	11,500.00	500.04
Employee Benefits	841.83	906.78	785.00	121.78
Purchased Professional Services	0.00	8.00	0.00	8.00
Supplies	88.37	0.00	250.00	(250.00)
Other	0.00	0.00	16,000.00	(16,000.00)
Vehicle Operations & Maint. Services:				
Insurance	500.00	0.00	500.00	(500.00)
Motor Fuel	<u>375.25</u>	<u>495.09</u>	<u>500.00</u>	<u>(4.91)</u>
Total Expenditures	<u>13,123.72</u>	<u>13,409.91</u>	<u>\$ 29,535.00</u>	<u>\$ (16,125.09)</u>
Receipts Over (Under) Expenditures	(394.72)	(3,658.91)		
Unencumbered Cash, Beginning	<u>16,279.77</u>	<u>15,885.05</u>		
Unencumbered Cash, Ending	<u>\$ 15,885.05</u>	<u>\$ 12,226.14</u>		

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
FOOD SERVICE FUND  
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)

	Prior Year Actual	Current Year		
		Actual	Budget	Variance Over (Under)
Cash Receipts				
Local Sources:				
Food Sales	\$ 36,185.60	\$ 42,693.36	\$ 41,585.00	\$ 1,108.36
State Aid:				
State Food Assistance	1,076.52	1,129.13	1,174.00	(44.87)
Federal Aid:				
Child Nutrition Program	41,540.31	47,380.29	50,211.00	(2,830.71)
Operating Transfer:				
From Supplemental General	<u>55,000.00</u>	<u>65,000.00</u>	<u>48,660.00</u>	<u>16,340.00</u>
Total Cash Receipts	<u>133,802.43</u>	<u>156,202.78</u>	<u>\$ 141,630.00</u>	<u>\$ 14,572.78</u>
Expenditures				
Food Service Operation:				
Salaries	52,555.92	53,807.29	55,500.00	(1,692.71)
Employee Benefits	14,604.62	16,682.28	15,000.00	1,682.28
Other Purchased Services	98.48	622.61	500.00	122.61
Food & Supplies	64,018.48	72,097.47	68,000.00	4,097.47
Property (Equip & Furn)	671.81	5,609.08	0.00	5,609.08
Other	<u>297.14</u>	<u>463.94</u>	<u>40,000.00</u>	<u>(39,536.06)</u>
Total Expenditures	<u>132,246.45</u>	<u>149,282.67</u>	<u>\$ 179,000.00</u>	<u>\$ (29,717.33)</u>
Receipts Over (Under) Expenditures	1,555.98	6,920.11		
Unencumbered Cash, Beginning	<u>35,814.16</u>	<u>37,370.14</u>		
Unencumbered Cash, Ending	<u>\$ 37,370.14</u>	<u>\$ 44,290.25</u>		

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
PROFESSIONAL DEVELOPMENT FUND  
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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Local Sources:				
Other Revenue from Local Sources	\$ 515.98	\$ 0.00	\$ 596.00	\$ (596.00)
Operating Transfer:				
From Supplemental General	<u>6,000.00</u>	<u>5,000.00</u>	<u>6,000.00</u>	<u>(1,000.00)</u>
Total Cash Receipts	<u>6,515.98</u>	<u>5,000.00</u>	<u>\$ 6,596.00</u>	<u>\$ (1,596.00)</u>
Expenditures				
Instructional Support Staff:				
Salaries	1,187.50	3,250.00	4,000.00	(750.00)
Employee Benefits	331.96	286.32	355.00	(68.68)
Purchased Professional Services	4,745.12	10,000.95	5,000.00	5,000.95
Other	79.80	2,100.00	24,000.00	(21,900.00)
Other Supplemental Service:				
Supplies	<u>205.08</u>	<u>442.53</u>	<u>500.00</u>	<u>(57.47)</u>
Total Expenditures	<u>6,549.46</u>	<u>16,079.80</u>	<u>\$ 33,855.00</u>	<u>\$ (17,775.20)</u>
Receipts Over (Under) Expenditures	(33.48)	(11,079.80)		
Unencumbered Cash, Beginning	<u>27,294.26</u>	<u>27,260.78</u>		
Unencumbered Cash, Ending	<u>\$ 27,260.78</u>	<u>\$ 16,180.98</u>		

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
SPECIAL EDUCATION FUND  
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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Local Sources:				
Other Revenue from Local Sources	\$ 2,140.42	\$ 2,889.59	\$ 1,618.00	\$ 1,271.59
Operating Transfers:				
From General	126,204.00	172,866.00	172,500.00	366.00
From Supplemental General	<u>42,753.32</u>	<u>0.00</u>	<u>69,394.00</u>	<u>(69,394.00)</u>
Total Cash Receipts	<u>171,097.74</u>	<u>175,755.59</u>	<u>\$ 243,512.00</u>	<u>\$ (67,756.41)</u>
Expenditures				
Instruction:				
Salaries	150.00	0.00	0.00	0.00
Employee Benefits	11.63	0.00	0.00	0.00
Other Purchased Services				
Assessment	44,335.68	45,602.61	68,404.00	(22,801.39)
Flow-thru	126,204.00	143,190.00	168,500.00	(25,310.00)
Other	0.00	0.00	150,000.00	(150,000.00)
Vehicle Operating Services:				
Salaries	0.00	0.00	4,000.00	(4,000.00)
Employee Benefits	0.00	0.00	300.00	(300.00)
Other Purchased Services	0.00	0.00	350.00	(350.00)
Supplies	<u>0.00</u>	<u>26.93</u>	<u>350.00</u>	<u>(323.07)</u>
Total Expenditures	<u>170,701.31</u>	<u>188,819.54</u>	<u>\$ 391,904.00</u>	<u>\$ (203,084.46)</u>
Receipts Over (Under) Expenditures	396.43	(13,063.95)		
Unencumbered Cash, Beginning	<u>147,996.22</u>	<u>148,392.65</u>		
Unencumbered Cash, Ending	<u>\$ 148,392.65</u>	<u>\$ 135,328.70</u>		

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
VOCATIONAL EDUCATION FUND  
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)

	Prior Year Actual	Current Year		
		Actual	Budget	Variance Over (Under)
Cash Receipts				
Local Sources:				
Other Revenue from Local Sources	\$ 15.00	\$ 0.00	\$ 0.00	\$ 0.00
Operating Transfers:				
From General	43,000.89	0.00	0.00	0.00
From Supplemental General	<u>41,833.00</u>	<u>70,335.00</u>	<u>84,746.00</u>	<u>(14,411.00)</u>
Total Cash Receipts	<u>84,848.89</u>	<u>70,335.00</u>	<u>\$ 84,746.00</u>	<u>\$ (14,411.00)</u>
Expenditures				
Instruction:				
Salaries	77,900.00	79,000.00	80,000.00	(1,000.00)
Employee Benefits	5,979.98	5,745.27	6,100.00	(354.73)
Purchased Professional Services	15.00	0.00	0.00	0.00
Other	0.00	0.00	45,000.00	(45,000.00)
Operations & Maintenance:				
Supplies	<u>0.00</u>	<u>399.20</u>	<u>0.00</u>	<u>399.20</u>
Total Expenditures	<u>83,894.98</u>	<u>85,144.47</u>	<u>\$ 131,100.00</u>	<u>\$ (45,955.53)</u>
Receipts Over (Under) Expenditures	953.91	(14,809.47)		
Unencumbered Cash, Beginning	<u>45,399.53</u>	<u>46,353.44</u>		
Unencumbered Cash, Ending	<u>\$ 46,353.44</u>	<u>\$ 31,543.97</u>		

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
GIFTS & GRANTS FUND  
Statement of Cash Receipts and Expenditures - Actual  
For the Year Ended June 30, 2012  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Actual
Cash Receipts		
Local Sources:		
Donations	\$ 150,106.74	\$ 156,501.52
Total Cash Receipts	150,106.74	156,501.52
Expenditures:		
Instruction:		
Supplies	1,246.39	823.00
Total Expenditures	1,246.39	823.00
Receipts Over (Under) Expenditures	148,860.35	155,678.52
Unencumbered Cash, Beginning	504,155.50	653,146.97
Prior Year Cancelled Encumbrances	131.12	0.00
Unencumbered Cash, Ending	\$ 653,146.97	\$ 808,825.49

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
KPERs SPECIAL RETIREMENT FUND  
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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
State Aid:				
KPERs	\$ 152,357.15	\$ 165,296.29	\$ 193,704.00	\$ (28,407.71)
Total Cash Receipts	<u>152,357.15</u>	<u>165,296.29</u>	<u>\$ 193,704.00</u>	<u>\$ (28,407.71)</u>
Expenditures				
Instruction:				
Employee Benefits	97,508.58	105,789.64	130,846.00	(25,056.36)
Student Support Services:				
Employee Benefits	4,570.71	4,958.88	3,339.00	1,619.88
Instructional Support Staff:				
Employee Benefits	6,094.29	6,611.85	2,155.00	4,456.85
General Administration:				
Employee Benefits	6,094.29	6,611.85	10,562.00	(3,950.15)
School Administration:				
Employee Benefits	15,235.71	16,529.64	21,975.00	(5,445.36)
Other Supplemental Services:				
Employee Benefits	0.00	11,570.73	0.00	11,570.73
Operations & Maintenance:				
Employee Benefits	10,664.99	6,611.85	12,019.00	(5,407.15)
Student Transportation Services:				
Employee Benefits	6,094.29	6,611.85	6,070.00	541.85
Food Service:				
Employee Benefits	<u>6,094.29</u>	<u>0.00</u>	<u>6,738.00</u>	<u>(6,738.00)</u>
Total Expenditures	<u>152,357.15</u>	<u>165,296.29</u>	<u>\$ 193,704.00</u>	<u>\$ (28,407.71)</u>
Receipts Over (Under) Expenditures	0.00	0.00		
Unencumbered Cash, Beginning	<u>0.00</u>	<u>0.00</u>		
Unencumbered Cash, Ending	<u>\$ 0.00</u>	<u>\$ 0.00</u>		

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
CONTINGENCY RESERVE FUND  
Statement of Cash Receipts and Expenditures - Actual  
For the Year Ended June 30, 2012  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Actual
Cash Receipts		
Operating Transfer:		
From General	\$ 30,873.64	\$ 0.00
Total Cash Receipts	30,873.64	0.00
Expenditures		
None	0.00	0.00
Total Expenditures	0.00	0.00
Receipts Over (Under) Expenditures	30,873.64	0.00
Unencumbered Cash, Beginning	159,401.36	190,275.00
Unencumbered Cash, Ending	\$ 190,275.00	\$ 190,275.00

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
TEXTBOOK RENTAL FUND  
Statement of Cash Receipts and Expenditures - Actual  
For the Year Ended June 30, 2012  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Actual
Cash Receipts		
Local Sources:		
Rental Fees & Books	\$ 4,550.00	\$ 4,909.00
Total Cash Receipts	4,550.00	4,909.00
Expenditures		
Instruction:		
Supplies	0.00	1,127.52
Total Expenditures	0.00	1,127.52
Receipts Over (Under) Expenditures	4,550.00	3,781.48
Unencumbered Cash, Beginning	23,562.01	28,112.01
Unencumbered Cash, Ending	\$ 28,112.01	\$ 31,893.49

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
RECREATION COMMISSION FUND  
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)

	Prior Year Actual	Current Year		
		Actual	Budget	Variance Over (Under)
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 52,411.56	\$ 55,515.39	\$ 52,460.00	\$ 3,055.39
Delinquent Tax	554.32	256.59	538.00	(281.41)
Motor Veh./16-20M Veh. Tax	7,352.74	7,861.82	7,727.00	134.82
Recreational Vehicle Tax	125.20	126.44	131.00	(4.56)
Local Sources:				
Other Revenue from Local Sources	0.00	9,173.05	0.00	9,173.05
Total Cash Receipts	<u>60,443.82</u>	<u>72,933.29</u>	<u>\$ 60,856.00</u>	<u>\$ 12,077.29</u>
Expenditures				
Community Service Operations	<u>68,000.00</u>	<u>68,000.00</u>	<u>68,000.00</u>	<u>0.00</u>
Total Expenditures	<u>68,000.00</u>	<u>68,000.00</u>	<u>\$ 68,000.00</u>	<u>\$ 0.00</u>
Receipts Over (Under) Expenditures	(7,556.18)	4,933.29		
Unencumbered Cash, Beginning	<u>22,898.05</u>	<u>15,341.87</u>		
Unencumbered Cash, Ending	<u>\$ 15,341.87</u>	<u>\$ 20,275.16</u>		

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
RECREATION COMMISSION EMPLOYEE BENEFIT FUND  
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)

	Prior Year Actual	Current Year		
		Actual	Budget	Variance Over (Under)
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 6,728.21	\$ 7,152.92	\$ 6,744.00	\$ 408.92
Delinquent Tax	72.18	32.30	69.00	(36.70)
Motor Veh./16-20M Veh. Tax	849.32	1,013.00	996.00	17.00
Recreational Vehicle Tax	14.46	16.29	17.00	(0.71)
Local Sources:				
Other Revenue from Local Sources	0.00	1,182.01	0.00	1,182.01
Total Cash Receipts	<u>7,664.17</u>	<u>9,396.52</u>	<u>\$ 7,826.00</u>	<u>\$ 1,570.52</u>
Expenditures				
Community Service Operations	<u>8,500.00</u>	<u>8,500.00</u>	<u>8,500.00</u>	<u>0.00</u>
Total Expenditures	<u>8,500.00</u>	<u>8,500.00</u>	<u>\$ 8,500.00</u>	<u>\$ 0.00</u>
Receipts Over (Under) Expenditures	(835.83)	896.52		
Unencumbered Cash, Beginning	<u>3,278.10</u>	<u>2,442.27</u>		
Unencumbered Cash, Ending	<u>\$ 2,442.27</u>	<u>\$ 3,338.79</u>		

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
TITLE I FUND  
Statement of Cash Receipts and Expenditures - Actual  
For the Year Ended June 30, 2012  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Actual
Cash Receipts		
Federal Aid:		
Other Federal Grants Thru State	\$ 58,479.00	\$ 39,570.00
Total Cash Receipts	58,479.00	39,570.00
Expenditures		
Instruction:		
Salaries	36,999.99	36,524.64
Employee Benefits	2,871.69	2,894.32
Supplies	335.32	151.04
Property (Equip & Furn)	18,272.00	0.00
Total Expenditures	58,479.00	39,570.00
Receipts Over (Under) Expenditures	0.00	0.00
Unencumbered Cash, Beginning	0.00	0.00
Unencumbered Cash, Ending	\$ 0.00	\$ 0.00

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
TITLE I MIGRANT FUND  
Statement of Cash Receipts and Expenditures - Actual  
For the Year Ended June 30, 2012  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Actual
Cash Receipts		
Federal Aid:		
Other Federal Grants Thru State	\$ 55,650.00	\$ 14,906.00
Total Cash Receipts	55,650.00	14,906.00
Expenditures		
Instruction:		
Salaries	33,552.50	12,742.00
Employee Benefits	4,474.62	2,164.00
Supplies	8,660.09	0.00
Property (Equip & Furn)	4,348.67	0.00
Instructional Support Staff:		
Purchased Professional Services	4,614.12	0.00
Total Expenditures	55,650.00	14,906.00
Receipts Over (Under) Expenditures	0.00	0.00
Unencumbered Cash, Beginning	0.00	0.00
Unencumbered Cash, Ending	\$ 0.00	\$ 0.00

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
TITLE II - A FUND  
Statement of Cash Receipts and Expenditures - Actual  
For the Year Ended June 30, 2012  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Actual
Cash Receipts		
Federal Aid:		
Other Federal Grants Thru State	\$ 12,312.00	\$ 10,153.00
Total Cash Receipts	12,312.00	10,153.00
Expenditures		
Instruction:		
Salaries	11,553.34	8,043.56
Employee Benefits	391.88	1,069.44
Purchased Professional Services	301.28	1,040.00
Supplies	65.50	0.00
Total Expenditures	12,312.00	10,153.00
Receipts Over (Under) Expenditures	0.00	0.00
Unencumbered Cash, Beginning	0.00	0.00
Unencumbered Cash, Ending	\$ 0.00	\$ 0.00

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
TITLE II - D FUND  
Statement of Cash Receipts and Expenditures - Actual  
For the Year Ended June 30, 2012  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Actual
Cash Receipts		
Federal Aid:		
Other Federal Grants Thru State	\$ 867.00	\$ 0.00
Total Cash Receipts	867.00	0.00
Expenditures		
Instruction:		
Purchased Professional Services	136.00	0.00
Property (Equip & Furn)	731.00	0.00
Total Expenditures	867.00	0.00
Receipts Over (Under) Expenditures	0.00	0.00
Unencumbered Cash, Beginning	0.00	0.00
Unencumbered Cash, Ending	\$ 0.00	\$ 0.00

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
TITLE III FUND  
Statement of Cash Receipts and Expenditures - Actual  
For the Year Ended June 30, 2012  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Actual
Cash Receipts		
Local Sources:		
Other Revenue from Local Sources	\$ 1,475.22	\$ 0.00
Total Cash Receipts	1,475.22	0.00
Expenditures		
Instruction:		
Employee Benefits	1,377.00	0.00
Supplies	98.22	0.00
Total Expenditures	1,475.22	0.00
Receipts Over (Under) Expenditures	0.00	0.00
Unencumbered Cash, Beginning	0.00	0.00
Unencumbered Cash, Ending	\$ 0.00	\$ 0.00

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
REAP GRANT FUND  
Statement of Cash Receipts and Expenditures - Actual  
For the Year Ended June 30, 2012  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Actual
Cash Receipts		
Federal Aid:		
US Dept of Education	\$ 20,309.00	\$ 18,058.00
Total Cash Receipts	20,309.00	18,058.00
Expenditures		
Instruction:		
Property (Equip & Furn)	20,309.00	18,058.00
Total Expenditures	20,309.00	18,058.00
Receipts Over (Under) Expenditures	0.00	0.00
Unencumbered Cash, Beginning	0.00	0.00
Unencumbered Cash, Ending	\$ 0.00	\$ 0.00

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
BOND & INTEREST FUND  
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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 177,582.92	\$ 205,660.56	\$ 194,129.00	\$ 11,531.56
Delinquent Tax	1,862.43	865.25	1,823.00	(957.75)
Motor Veh./16-20M Veh. Tax	24,131.55	25,782.33	25,472.00	310.33
Recreational Vehicle Tax	410.87	415.75	431.00	(15.25)
Local Sources:				
Other Revenue from Local Sources	2.51	0.00	0.00	0.00
State Aid:				
Capital Improvement Aid	<u>53,367.00</u>	<u>35,620.00</u>	<u>35,620.00</u>	<u>0.00</u>
Total Cash Receipts	<u>257,357.28</u>	<u>268,343.89</u>	<u>\$ 257,475.00</u>	<u>\$ 10,868.89</u>
Expenditures				
Interest	109,895.00	104,000.00	104,000.00	0.00
Commission & Postage	0.00	0.00	1,000.00	(1,000.00)
Principal	<u>160,000.00</u>	<u>170,000.00</u>	<u>170,000.00</u>	<u>0.00</u>
Total Expenditures	<u>269,895.00</u>	<u>274,000.00</u>	<u>\$ 275,000.00</u>	<u>\$ (1,000.00)</u>
Receipts Over (Under) Expenditures	(12,537.72)	(5,656.11)		
Unencumbered Cash, Beginning	<u>277,323.90</u>	<u>264,786.18</u>		
Unencumbered Cash, Ending	<u>\$ 264,786.18</u>	<u>\$ 259,130.07</u>		

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
PAYROLL CLEARING FUND  
Statement of Cash Receipts and Expenditures - Actual  
For the Year Ended June 30, 2012  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Actual
Cash Receipts		
None	\$ 0.00	\$ 0.00
Total Cash Receipts	0.00	0.00
Expenditures:		
Instruction:		
Close Fund to Capital Outlay	4,742.40	0.00
Total Expenditures	4,742.40	0.00
Receipts Over (Under) Expenditures	(4,742.40)	0.00
Unencumbered Cash, Beginning	4,742.40	0.00
Unencumbered Cash, Ending	\$ 0.00	\$ 0.00

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
 AGENCY FUNDS  
 Statement of Cash Receipts and Cash Disbursements  
 For the Year Ended June 30, 2012

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
High School:				
Class of 2011	\$ 1,262.78	\$ 0.00	\$ 1,262.78	\$ 0.00
Class of 2012	3,143.86	87.00	2,224.66	1,006.20
Class of 2013	8,611.03	0.00	6,081.28	2,529.75
Class of 2014	6,336.38	0.00	339.19	5,997.19
Class of 2015	0.00	19,535.42	11,998.84	7,536.58
Stuco	0.05	0.00	0.00	0.05
Letterman's Club	1,846.51	3,876.00	3,663.62	2,058.89
Women's Letterman's Club	713.27	3,807.00	3,031.96	1,488.31
Cheerleaders	2,313.30	12,112.57	9,076.47	5,349.40
NHS	1,533.86	5,565.00	6,746.97	351.89
KAYS	669.17	528.00	824.18	372.99
Foreign Language Club	(0.82)	0.82	0.00	0.00
Speech	4.13	0.00	0.00	4.13
Yearbook	0.00	13,335.00	11,030.07	2,304.93
FCCLA	1,706.13	3,770.80	4,812.04	664.89
SADD	2,823.01	1,760.00	2,050.00	2,533.01
Art Club	142.86	0.00	0.00	142.86
Entrepreneurship Class	4,922.77	2,600.00	5,373.83	2,148.94
Pep Band	643.52	2,953.00	2,404.00	1,192.52
Total Agency Funds	<u>\$ 36,671.81</u>	<u>\$ 69,930.61</u>	<u>\$ 70,919.89</u>	<u>\$ 35,682.53</u>

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

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
DISTRICT ACTIVITY FUNDS  
For the Year Ended June 30, 2012

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances
High School:		
Student Activities	\$ 0.00	\$ 0.00
Sales Tax	204.82	0.00
Pop/Gatorade Machine	723.38	0.00
Industrial Arts	<u>2,460.00</u>	<u>0.00</u>
Total District Activity Funds	<u>\$ 3,388.20</u>	<u>\$ 0.00</u>

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

## Statement 5

Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances And Accounts Payable	Ending Cash Balance
\$ 58,039.47	\$ 57,993.38	\$ 46.09	\$ 0.00	\$ 46.09
5,328.07	3,856.04	1,676.85	0.00	1,676.85
3,722.50	3,621.44	824.44	0.00	824.44
<u>197.32</u>	<u>212.32</u>	<u>2,445.00</u>	<u>0.00</u>	<u>2,445.00</u>
<u>\$ 67,287.36</u>	<u>\$ 65,683.18</u>	<u>\$ 4,992.38</u>	<u>\$ 0.00</u>	<u>\$ 4,992.38</u>

UNIFIED SCHOOL DISTRICT NO. 371  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2012

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Unified School District No. 371, Montezuma, Kansas is a municipal corporation governed by an elected seven member board. A primary government is a legal entity or public politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. The Recreation Commission of Unified School District No. 371 oversees the recreational activities of the District and is a component unit. The Recreation Commission can sue and be sued, but acquisition of real property by the commission must be approved by the District. The District levies taxes for the commission and bond issuances must be approved by the District. The primary government financial statements presented do not include the financial data of the component unit of Unified School District No. 371. The financial data of the Recreation Commission is available at the Recreation Commission's office.

B. FUND ACCOUNTING

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

The following types of funds comprise the financial activities of Unified School District No. 371, Montezuma, Kansas for the year ended June 30, 2012:

GOVERNMENTAL 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 special assessments or major capital projects) that are restricted by law or administrative action to expenditure for specified purposes.

Debt Service Fund--to account for the accumulation of resources from and the payment of, interest and principal on general long-term debt which are general obligations of USD 371.

FIDUCIARY FUNDS:

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

C. BASIS OF ACCOUNTING

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 would be charged in the fund from which the transfer is made.

## C. BASIS OF ACCOUNTING (Cont'd.)

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, buildings, and equipment owned by the municipality 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.

## D. CASH AND INVESTMENTS

Cash balances from all funds are combined and invested to the extent available. Cash and investments consist of interest bearing checking accounts and certificates of deposit. Earnings from these investments are allocated to designated funds. Cash and investments are stated at cost.

## E. COMPENSATED ABSENCES

### Sick Leave:

Certified employees earn ten days of sick leave each fiscal year accumulative up to fifty days. Full time, twelve month employees earn twelve days of sick leave each fiscal year accumulative up to sixty days. Part time employees will earn one day of sick leave per month accumulative up to sixty days. Certified employees following the fifth year of consecutive employment, upon termination of employment due to resignation only, will be compensated for any unused sick leave up to a maximum of fifty days at varying rates. Classified employees following the sixth year of consecutive employment, upon termination of employment due to resignation or retirement, will be compensated for unused sick leave at varying rates and varying days. The potential liability for sick leave as of June 30, 2012 is \$27,096.00.

### Personal Leave:

Certified employees earn three days of personal leave each fiscal year and classified employees earn two days of personal leave each year, non-accumulative to the next fiscal year. Employees will be compensated for unused personal leave at a rate of \$75.00 per day. This payment is made with the last check of the fiscal year, therefore, there is no potential liability for unused personal leave as of June 30, 2012.

### Vacation Leave:

Full time, twelve month employees earn vacation leave at varying rates. Employees earn a half day vacation for each month worked in the first year of employment; one day vacation for each month worked in the second through fourth year of employment; and one and one quarter days of vacation for each month worked in the fifth year and on. After serving consecutive twenty years employees will earn twenty days of vacation each fiscal year. Vacation leave is not accumulative, therefore, there is no potential liability for unused vacation leave as of June 30, 2012.

#### F. TOTAL COLUMNS (MEMORANDUM ONLY)

Total Columns on the Summary of Receipts, Expenditures and Unencumbered Cash are captioned "Memorandum Only" to indicate that they are presented only to aid in financial analysis. Interfund eliminations have not been made in the aggregation of this data; and it is, therefore, not comparable to a consolidation.

#### G. AD VALOREM TAX REVENUE

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the State of Kansas are the responsibility of the various counties. The County Appraiser annually determines assessed valuation and the County Clerk spreads the annual assessment on the tax rolls. One-half of the property taxes are due December 20 and distributed to the District by January 20. The second half is due May 10 and distributed to the District by June 5. The District Treasurer draws available funds from the County Treasurer at designated times throughout the year.

#### H. REIMBURSED EXPENSES

Unified School District No. 371, Montezuma, Kansas, records reimbursable expenditures (or expense) in the fund that makes the disbursement and records the reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures (or expenses) are properly offset by the reimbursements.

#### I. ESTIMATES

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

#### Note 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 of the proposed budget and notice of public hearing on the budget on or before August 5th.
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. The General Fund was amended during the 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.

## Note 2 - BUDGETARY INFORMATION (Cont'd.)

Adjustment to Comply with Legal Max: Unified school districts should use this line item (for use in the budget column only) to adjust the certified budget to comply with the "Legal Max" budget. The State Board of Education calculates the "Legal Max" budget using enrollment figures. The District's budgeted expenditures are limited to the lower of the published budget or the "Legal Max" budget.

Adjustment for Qualifying Budget Credits: Districts may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, reimbursements, gifts and donations and receipts authorized by law to be spent as if they were reimbursed expenses.

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 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 projects funds, fiduciary funds, permanent funds, and the following special revenue funds:

Gifts & Grants Fund	Title II - A Fund
Contingency Reserve Fund	Title II - D Fund
Textbook Rental Fund	Title III Fund
Title I Fund	REAP Grant Fund
Title I Migrant Fund	District Activity 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.

## Note 3 - COMPLIANCE WITH KANSAS STATUTES

1. Funds on deposit at Montezuma State Bank were under secured during the year in violation of K.S.A. 9-1402.

Management is aware of no other statutory violations for the period covered by the audit.

The General Fund showed a negative ending unencumbered cash balance of \$186,360.00 for the year ending June 30, 2012. K.S.A. 1116a provides that under certain situations, a fund can end the year with a negative unencumbered cash balance and therefore, be exempt from the cash basis law of the State of Kansas. This fund met the criteria under the statutes, and therefore, is not deemed to be in violation of the Kansas cash basis law.

K.S.A. 72-6417(d) and K.S.A. 72-6434(d) requires the school 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 school district after June 30, as a receipt for the school year ending on June 30. The schedules on the following pages show the revenue as required by the statutes.

Note 3 - COMPLIANCE WITH KANSAS STATUTES (Cont'd.)

Statutory Revenues and Expenditures - Statutory and Budget  
For the Year Ended June 30, 2012  
GENERAL FUND

	Statutory Transactions	Budget	Variance Over (Under)
Statutory Revenues			
Taxes and Shared Revenue:			
Ad Valorem Property Tax	\$ 292,278.01	\$ 275,335.00	\$ 16,943.01
Delinquent Tax	1,098.78	2,833.00	(1,734.22)
Mineral Tax	570.62	500.00	70.62
Local Sources:			
Reimbursements	17,646.80	0.00	17,646.80
State Aid:			
Equalization Aid	1,440,597.00	1,456,598.00	(16,001.00)
Special Education Aid	143,190.00	172,500.00	(29,310.00)
Federal Aid:			
Education Jobs Grant	925.00	0.00	925.00
Total Statutory Revenues	<u>1,896,306.21</u>	<u>\$ 1,907,766.00</u>	<u>\$ (11,459.79)</u>
Expenditures			
Instruction	864,637.11	942,606.00	(77,968.89)
Student Support Services	32,951.24	31,450.00	1,501.24
Instructional Support Staff	43,014.82	26,500.00	16,514.82
General Administration	195,190.28	198,500.00	(3,309.72)
School Administration	214,668.82	213,750.00	918.82
Operations & Maintenance	181,421.72	153,050.00	28,371.72
Vehicle Operating Services	95,063.06	86,800.00	8,263.06
Vehicle & Maintenance Services	14,580.37	20,000.00	(5,419.63)
Operating Transfers	254,779.26	235,110.00	19,669.26
Adjustment to Comply with Legal Max	<u>                    </u>	<u>(29,106.00)</u>	<u>29,106.00</u>
Legal General Fund Budget	1,896,306.68	1,878,660.00	17,646.68
Adjustment for Qualifying Budget Credits	<u>                    </u>	<u>17,646.80</u>	<u>(17,646.80)</u>
Total Expenditures	<u>1,896,306.68</u>	<u>\$ 1,896,306.80</u>	<u>\$ (0.12)</u>
Receipts Over (Under) Expenditures	(0.47)		
Modified Unencumbered Cash, July 1, 2011	<u>0.47</u>		
Modified Unencumbered Cash, June 30, 2012	<u>\$ 0.00</u>		

Note 3 - COMPLIANCE WITH KANSAS STATUTES (Cont'd.)

Statutory Revenues and Expenditures - Statutory and Budget  
For the Year Ended June 30, 2012  
SUPPLEMENTAL GENERAL FUND

	Statutory Transactions	Budget	Variance Over (Under)
Statutory Revenues			
Taxes and Shared Revenue:			
Ad Valorem Property Tax	\$ 411,707.83	\$ 370,074.00	\$ 41,633.83
Delinquent Tax	1,897.09	4,081.00	(2,183.91)
Motor Veh./16-20M Veh. Tax	56,589.78	56,095.00	494.78
Recreational Vehicle Tax	914.02	949.00	(34.98)
Local Sources:			
Reimbursements	11,127.44	0.00	11,127.44
State Aid:			
Equalization Aid	<u>171,429.00</u>	<u>165,257.00</u>	<u>6,172.00</u>
Total Statutory Revenues	<u>653,665.16</u>	<u>\$ 596,456.00</u>	<u>\$ 57,209.16</u>
Expenditures			
Instruction	145,382.92	110,345.00	35,037.92
General Administration	12,983.86	11,000.00	1,983.86
School Administration	6,236.61	6,200.00	36.61
Operations & Maintenance	73,199.65	88,500.00	(15,300.35)
Operating Transfers	404,202.40	414,833.00	(10,630.60)
Adjustment to Comply with Legal Max	<u>                    </u>	<u>0.00</u>	<u>0.00</u>
Legal Supplemental General Fund Budget	642,005.44	630,878.00	11,127.44
Adjustment for Qualifying Budget Credits	<u>                    </u>	<u>11,127.44</u>	<u>(11,127.44)</u>
Total Expenditures	<u>642,005.44</u>	<u>\$ 642,005.44</u>	<u>\$ 0.00</u>
Receipts Over (Under) Expenditures	11,659.72		
Modified Unencumbered Cash, July 1, 2011	<u>34,421.21</u>		
Modified Unencumbered Cash, June 30, 2012	<u>\$ 46,080.93</u>		

#### Note 4 - 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 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 investments of idle funds to time deposits, open accounts, and certificates of deposit with the 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, bank guarantee bonds, 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%. There were no designated "peak periods" during the year. All deposits were legally secured at June 30, 2012.

At June 30, 2012 the District's carrying amount of deposits was \$1,981,359.15 and the bank balance was \$2,247,721.22. 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 federal depository insurance, and \$1,997,721.22 was collateralized with securities held by the pledging financial institution's agents in the District's name.

#### Note 5 - INTERFUND TRANSACTIONS

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	At-Risk	K.S.A. 72-6428	\$ 22,325.62
General	Capital Outlay	K.S.A. 72-6428	59,587.64
General	Special Education	K.S.A. 72-6428	172,866.00
Supplemental General	At-Risk (4 Yr Old)	K.S.A. 72-6433	33,000.00
Supplemental General	At-Risk	K.S.A. 72-6433	110,867.40
Supplemental General	Bilingual Education	K.S.A. 72-6433	115,000.00
Supplemental General	Driver Training	K.S.A. 72-6433	5,000.00
Supplemental General	Food Service	K.S.A. 72-6433	65,000.00
Supplemental General	Professional Development	K.S.A. 72-6433	5,000.00
Supplemental General	Vocational Education	K.S.A. 72-6433	70,335.00

## Note 6 - LONG TERM DEBT

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

Issue	Interest	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds:				
General Obligation Refunding Bonds	3.00% - 4.00%	5/1/2009	2,950,000.00	9/1/2022
Capital Leases Payable:				
Lighting Project	3.200%	5/19/2009	102,500.00	3/1/2012
Apple Computer Equipment	1.900%	6/14/2012	119,364.65	7/14/2014
Total Contractual Indebtedness				
Compensated Absences				
Total Long-Term Debt				

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

	06/30/2013	06/30/2014	06/30/2015
Principal:			
General Obligation Bonds:			
General Obligation Refunding Bonds	\$ 180,000.00	\$ 195,000.00	\$ 205,000.00
Capital Leases Payable:			
Apple Computer Equipment	39,041.72	39,783.52	0.00
Total Principal	219,041.72	234,783.52	205,000.00
Interest:			
General Obligation Bonds:			
General Obligation Refunding Bonds	98,750.00	93,125.00	87,125.00
Capital Leases Payable:			
Apple Computer Equipment	1,497.69	755.89	0.00
Total Interest	100,247.69	93,880.89	87,125.00
Total Principal and Interest	\$ 319,289.41	\$ 328,664.41	\$ 292,125.00

Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
\$ 2,905,000.00	\$ 0.00	\$ 170,000.00		\$ 2,735,000.00	\$ 104,000.00
35,161.28	0.00	35,161.28		0.00	846.10
<u>0.00</u>	<u>119,364.65</u>	<u>40,539.41</u>		<u>78,825.24</u>	<u>0.00</u>
2,940,161.28	119,364.65	245,700.69		2,813,825.24	104,846.10
<u>24,579.00</u>			<u>\$ 2,517.00</u>	<u>27,096.00</u>	
<u>\$ 2,964,740.28</u>	<u>\$ 119,364.65</u>	<u>\$ 245,700.69</u>	<u>\$ 2,517.00</u>	<u>\$ 2,840,921.24</u>	<u>\$ 104,846.10</u>

06/30/2016	06/30/2017	06/30/2018 - 06/30/2022	06/30/2023 - 06/30/2027	Total
\$ 215,000.00	\$ 230,000.00	\$ 1,380,000.00	\$ 330,000.00	\$ 2,735,000.00
<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>78,825.24</u>
<u>215,000.00</u>	<u>230,000.00</u>	<u>1,380,000.00</u>	<u>330,000.00</u>	<u>2,813,825.24</u>
80,825.00	73,000.00	210,400.00	6,600.00	649,825.00
<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,253.58</u>
<u>80,825.00</u>	<u>73,000.00</u>	<u>210,400.00</u>	<u>6,600.00</u>	<u>652,078.58</u>
<u>\$ 295,825.00</u>	<u>\$ 303,000.00</u>	<u>\$ 1,590,400.00</u>	<u>\$ 336,600.00</u>	<u>\$ 3,465,903.82</u>

#### Note 6 - LONG TERM DEBT (Cont'd.)

The District entered into a lease purchase agreement with Wells Fargo Brokerage Services, LLC on April 2, 2009 for the lighting project. The lease requires six semi-annual payments of \$18,003.69, which began September 1, 2009. The lease is non-cancelable except in the event no funds or insufficient funds are appropriated and budgeted and funds are not otherwise available by any means whatsoever after the District has exercised its best efforts and administrative reviews and appeals available to secure adequate funds.

The District entered into a lease purchase agreement with Apple, Inc on June 14, 2012 for computer equipment. The lease requires three annual payments of \$40,539.41, which began June 30, 2012. The lease is non-cancelable except in the event no funds or insufficient funds are appropriated and budgeted and funds are not otherwise available by any means whatsoever after the District has exercised its best efforts and administrative reviews and appeals available to secure adequate funds.

#### Note 7 - SUMMARY OF INDEBTEDNESS

The District is subject to the statutes of the State of Kansas that limits the net bonded debt. The debt outstanding may not exceed 14% of the assessed value of all tangible taxable property within the District unless additional authority is granted by the Kansas State Board of Education. The amount of bonds outstanding is computed exclusive of certain bonds specifically exempted from this limitation. At June 30, 2012, the statutory limit for the District was \$2,218,979.28. The outstanding bond principal represents 17.75% of the District valuation. The District was granted authority by the State to exceed this limitation.

#### Note 8 - DEFINED BENEFIT PENSION PLAN

**Plan Description:** The District contributes to the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas Ave., Suite 100; Topeka, KS 66603-3803) or by calling 1-888-275-5737.

**Funding Policy:** K.S.A. 74-4919 establishes the KPERS member-employer contribution rate at 4% for Tier 1 employees and 6% for Tier 2 employees of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amounts necessary to achieve the actuarially determined contribution rate. The State of Kansas currently contributes 9.77% of covered payroll. These contribution requirements are established by KPERS and are periodically revised. The State of Kansas' contributions to KPERS for all Kansas public school employees for the years ending June 30, 2012, 2011, and 2010 were \$298,635,383, \$253,834,044, and \$248,468,186, respectively, equal to the required contributions for each year.

#### Note 9 - RISK MANAGEMENT

The District is exposed to various risks of losses related to torts; thefts of, damages to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District obtains coverage from commercial insurance companies in order to effectively manage risk. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years. The District does not participate in a public entity risk pool.

#### Note 10 - OTHER POST EMPLOYMENT BENEFITS

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

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

#### Note 11 - LEASE COMMITMENTS

##### Operating Leases

The District has entered into an operating lease for copiers which contain cancellation provisions and are subject to annual appropriations. For the reporting period, rent expenditures were \$7,944.62. These expenditures were made from the General Fund.

#### Note 12 - SUBSEQUENT EVENTS

The District has evaluated events subsequent to year end through December 28, 2012, and does not believe any events have occurred which effect the financial statements as presented.

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
Detailed Schedule of General Fund Expenditures  
Compared with Appropriations  
For the Year Ended June 30, 2012  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures				
Instruction:				
Salaries	\$ 627,906.97	\$ 604,874.59	\$ 629,250.00	\$ (24,375.41)
Employee Benefits	151,376.41	176,557.11	157,000.00	19,557.11
Purchased Professional Services	66,916.16	40,950.05	50,000.00	(9,049.95)
Other Purchased Services	2,801.70	3,091.00	3,000.00	91.00
Supplies	22,460.32	34,098.65	26,000.00	8,098.65
Property (Equip & Furn)	7,478.48	3,463.45	0.00	3,463.45
Other	726.00	1,602.26	77,356.00	(75,753.74)
	<u>879,666.04</u>	<u>864,637.11</u>	<u>942,606.00</u>	<u>(77,968.89)</u>
Student Support Services:				
Salaries	26,955.00	27,772.46	27,500.00	272.46
Employee Benefits	3,896.95	4,023.06	3,950.00	73.06
Purchased Professional Services	0.00	1,155.72	0.00	1,155.72
	<u>30,851.95</u>	<u>32,951.24</u>	<u>31,450.00</u>	<u>1,501.24</u>
Instructional Support Staff:				
Salaries	54,706.06	32,940.68	13,750.00	19,190.68
Employee Benefits	11,254.12	8,118.12	11,500.00	(3,381.88)
Purchased Professional Services	149.00	20.00	250.00	(230.00)
Supplies	675.14	1,936.02	1,000.00	936.02
	<u>66,784.32</u>	<u>43,014.82</u>	<u>26,500.00</u>	<u>16,514.82</u>
General Administration:				
Salaries	85,064.17	87,125.56	87,000.00	125.56
Employee Benefits	19,768.27	21,520.93	20,500.00	1,020.93
Purchased Professional Services	10,242.47	11,629.83	7,500.00	4,129.83
Purchased Property Services	3,186.73	4,313.41	4,000.00	313.41
Other Purchased Services	66,650.16	61,326.71	72,000.00	(10,673.29)
Supplies	5,287.26	2,360.84	5,000.00	(2,639.16)
Other	2,000.00	6,913.00	2,500.00	4,413.00
	<u>192,199.06</u>	<u>195,190.28</u>	<u>198,500.00</u>	<u>(3,309.72)</u>
School Administration:				
Salaries	178,740.27	180,966.96	181,000.00	(33.04)
Employee Benefits	26,550.98	28,230.08	27,500.00	730.08
Other Purchased Services	1,777.77	3,456.30	2,250.00	1,206.30
Supplies	2,995.56	2,015.48	3,000.00	(984.52)
	<u>210,064.58</u>	<u>214,668.82</u>	<u>213,750.00</u>	<u>918.82</u>

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
Detailed Schedule of General Fund Expenditures  
Compared with Appropriations  
For the Year Ended June 30, 2012  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

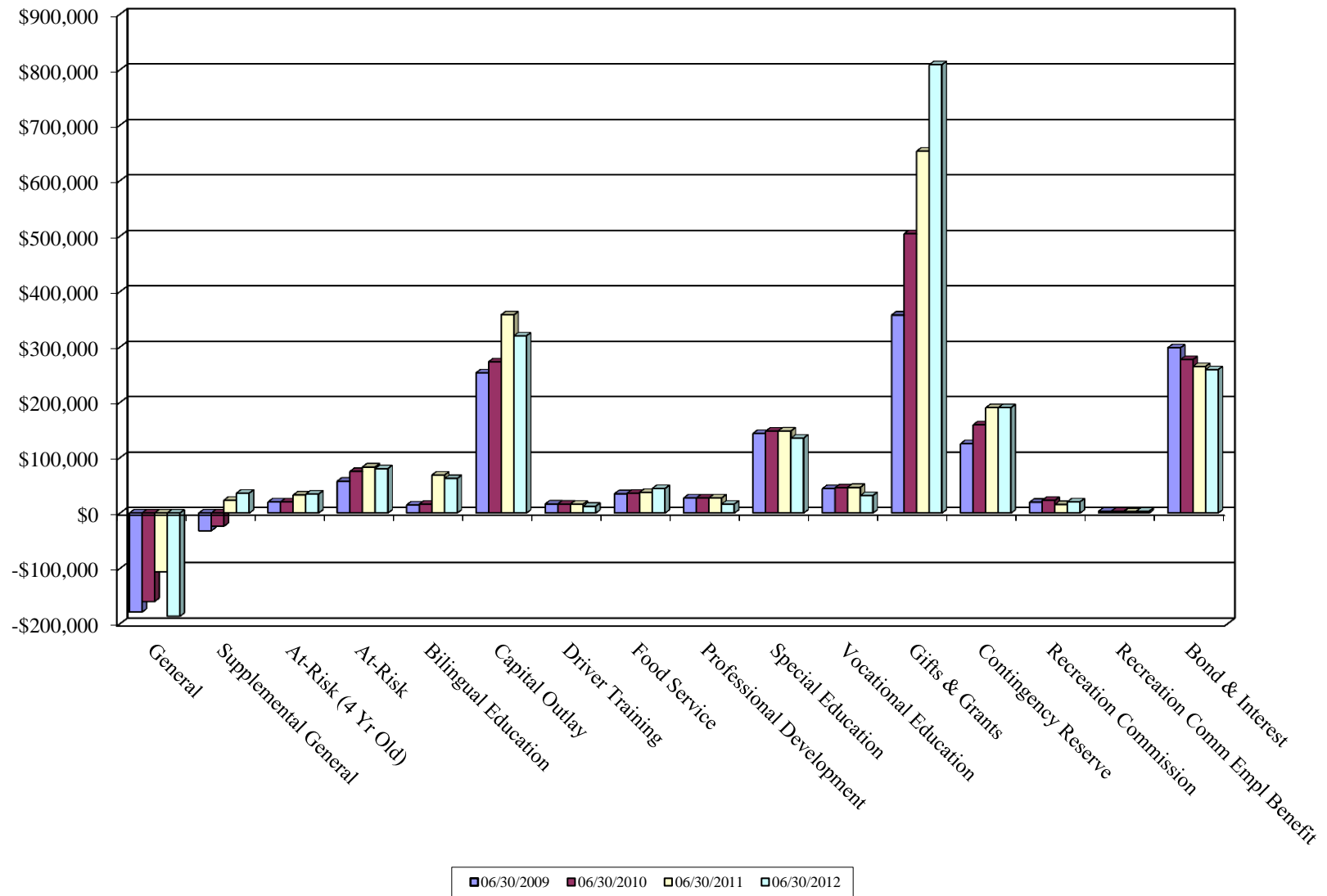
	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures (Cont'd.)				
Operations & Maintenance:				
Salaries	97,003.44	100,576.54	99,000.00	1,576.54
Employee Benefits	21,126.15	24,347.54	20,000.00	4,347.54
Purchased Professional Services	41.75	774.82	50.00	724.82
Purchased Property Services	15,924.35	29,743.15	13,000.00	16,743.15
Other Purchased Services	277.12	202.10	500.00	(297.90)
Supplies	5,957.29	3,044.06	2,500.00	544.06
Electricity	12,768.13	18,973.12	15,000.00	3,973.12
Motor Fuel	2,467.76	3,292.40	3,000.00	292.40
Property (Equip & Furn)	0.00	467.99	0.00	467.99
	<u>155,565.99</u>	<u>181,421.72</u>	<u>153,050.00</u>	<u>28,371.72</u>
Vehicle Operating Services:				
Salaries	45,335.23	51,780.80	46,000.00	5,780.80
Employee Benefits	6,268.83	7,207.47	6,800.00	407.47
Other Purchased Services	1,188.00	400.00	2,000.00	(1,600.00)
Motor Fuel	30,282.77	35,674.79	32,000.00	3,674.79
	<u>83,074.83</u>	<u>95,063.06</u>	<u>86,800.00</u>	<u>8,263.06</u>
Vehicle & Maintenance Services:				
Purchased Professional Services	19,607.91	14,580.37	20,000.00	(5,419.63)
	<u>19,607.91</u>	<u>14,580.37</u>	<u>20,000.00</u>	<u>(5,419.63)</u>
Operating Transfers:				
To At-Risk (4 Yr Old)	20,000.00	0.00	0.00	0.00
To At-Risk	50,000.00	22,325.62	62,610.00	(40,284.38)
To Bilingual Education	7,859.00	0.00	0.00	0.00
To Capital Outlay	75,000.00	59,587.64	0.00	59,587.64
To Special Education	126,204.00	172,866.00	172,500.00	366.00
To Vocational Education	43,000.89	0.00	0.00	0.00
To Contingency Reserve	30,873.64	0.00	0.00	0.00
	<u>352,937.53</u>	<u>254,779.26</u>	<u>235,110.00</u>	<u>19,669.26</u>
Adjustment to Comply with Legal Max			(29,106.00)	29,106.00
Legal General Fund Budget	1,990,752.21	1,896,306.68	1,878,660.00	17,646.68
Adjustment for Qualifying Budget Credits			17,646.80	(17,646.80)
Total Expenditures	<u>\$ 1,990,752.21</u>	<u>\$ 1,896,306.68</u>	<u>\$ 1,896,306.80</u>	<u>\$ (0.12)</u>

UNIFIED SCHOOL DISTRICT NO. 371, MONTEZUMA, KANSAS  
 OTHER PUBLIC ACTIVITIES  
 PETTY CASH FUNDS  
 Receipts, Disbursements and Balances

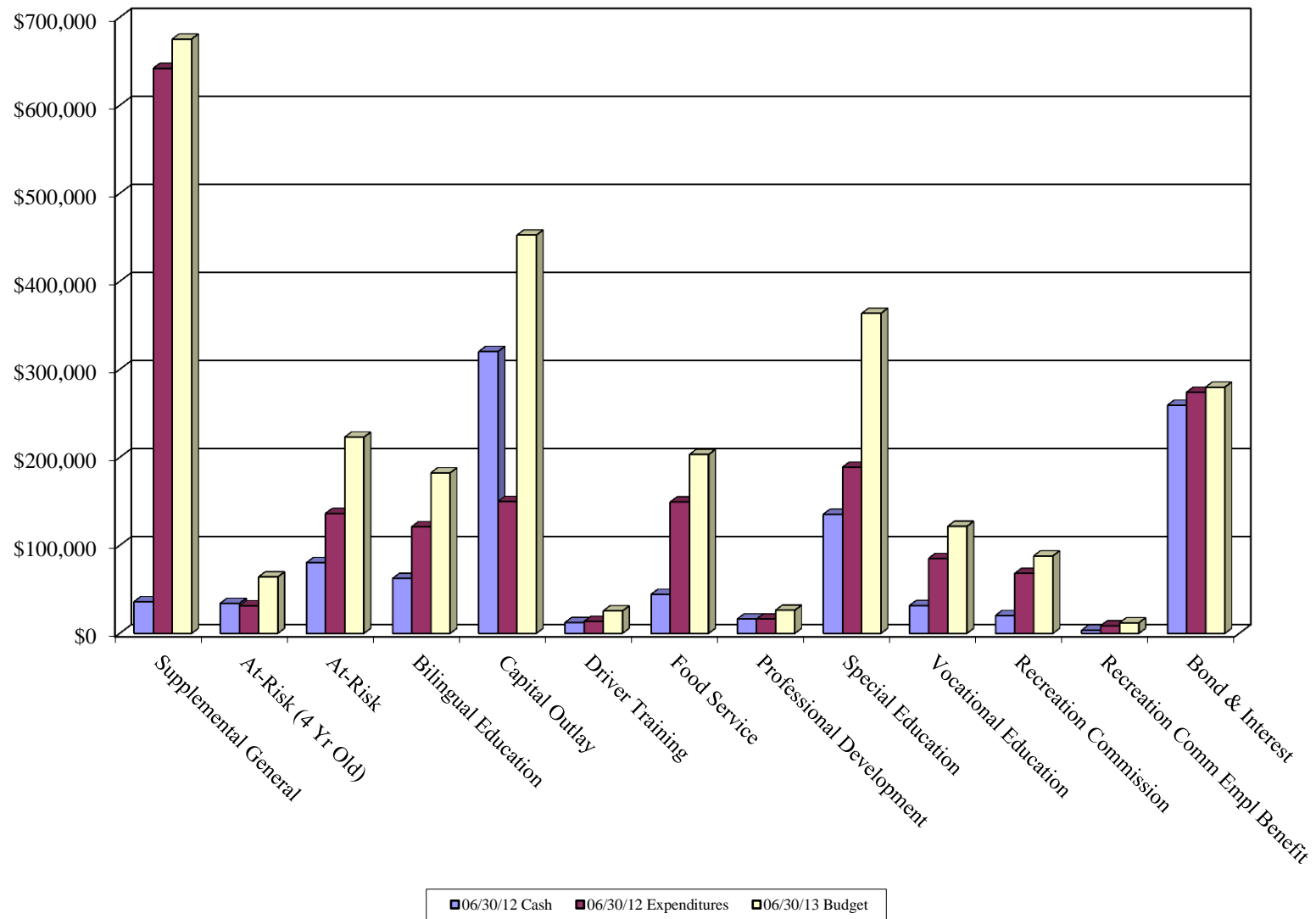
July 1, 2011 to June 30, 2012

	High School	District Office	Total
Balance to be accounted for 07/01/11	\$ 0.00	\$ 0.00	\$ 0.00
Receipts			
Reimbursements from U.S.D. 371	1,840.30	1,160.39	3,000.69
Other Reimbursements	510.25	468.94	979.19
Total Receipts	<u>2,350.55</u>	<u>1,629.33</u>	<u>3,979.88</u>
Disb., Encumbrances, & Transfers			
Reimbursable Items	<u>2,350.55</u>	<u>1,629.33</u>	<u>3,979.88</u>
Total Disb., Encumbrances, & Transfers	<u>2,350.55</u>	<u>1,629.33</u>	<u>3,979.88</u>
Balance to be accounted for 06/30/12	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>
CASH ACCOUNTED FOR:			
Checking Account - Montezuma State Bank, Montezuma, Kansas			
High School (Reconciled)			\$ 0.00
District Office (Reconciled)			<u>0.00</u>
Total Cash Accounted For			<u>\$ 0.00</u>

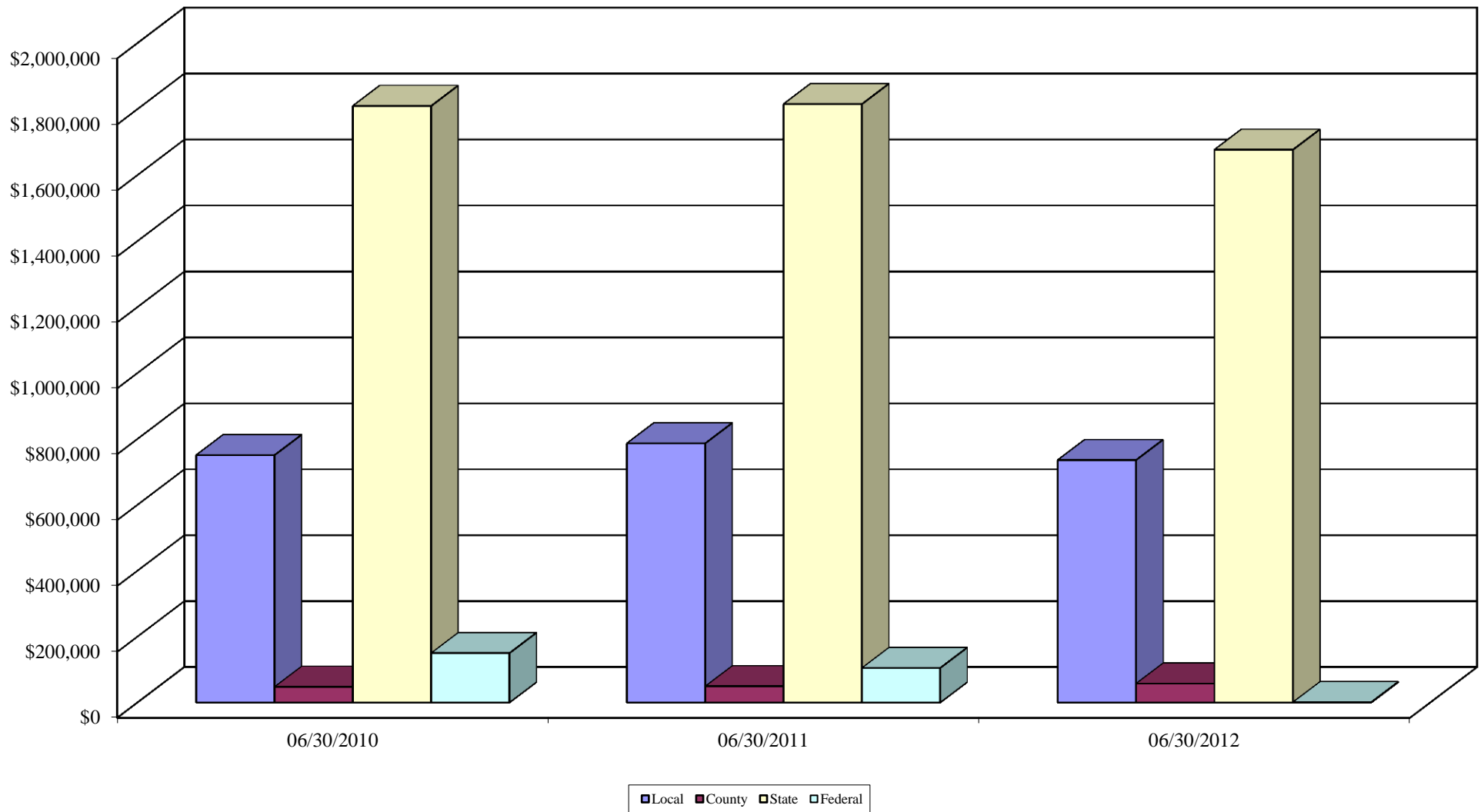
# **Unified School District No. 371** **Montezuma, Kansas** **Unencumbered Cash Balances - Selected Funds**



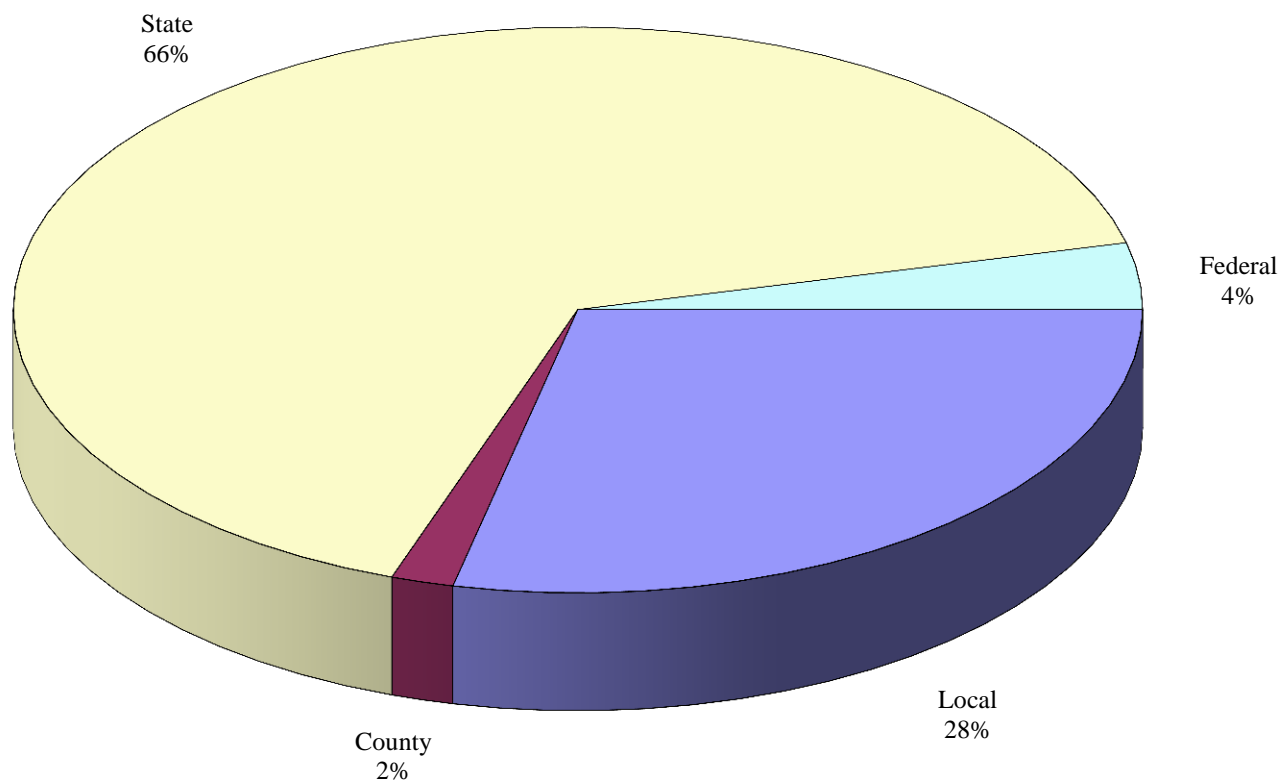
**Unified School District No. 371**  
**Montezuma, Kansas**  
**Unencumbered Cash Compared to Expenditures - Selected Funds**



**Unified School District No. 371  
Montezuma, Kansas  
General & Supplemental General Fund Revenues**

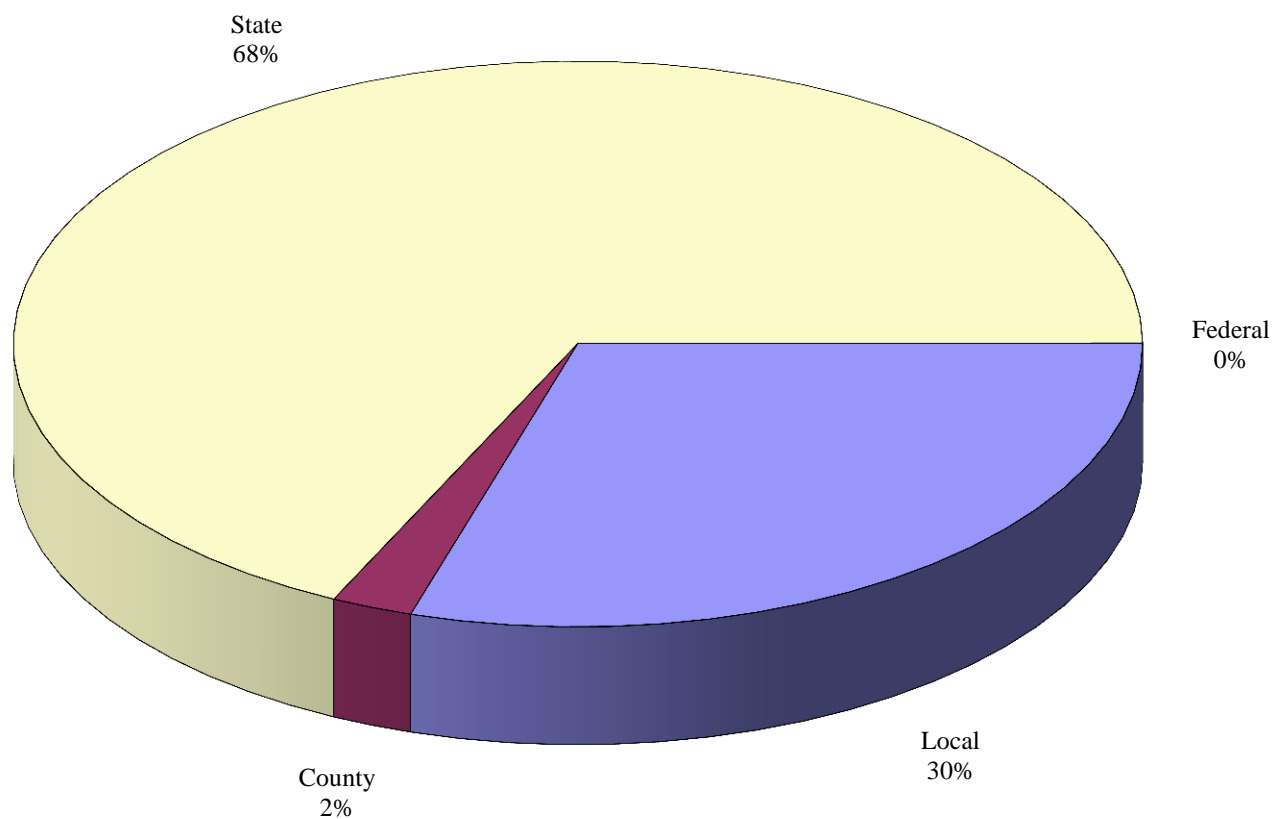


**Unified School District No. 371**  
**Montezuma, Kansas**  
**General & Supplemental General Fund Revenues**



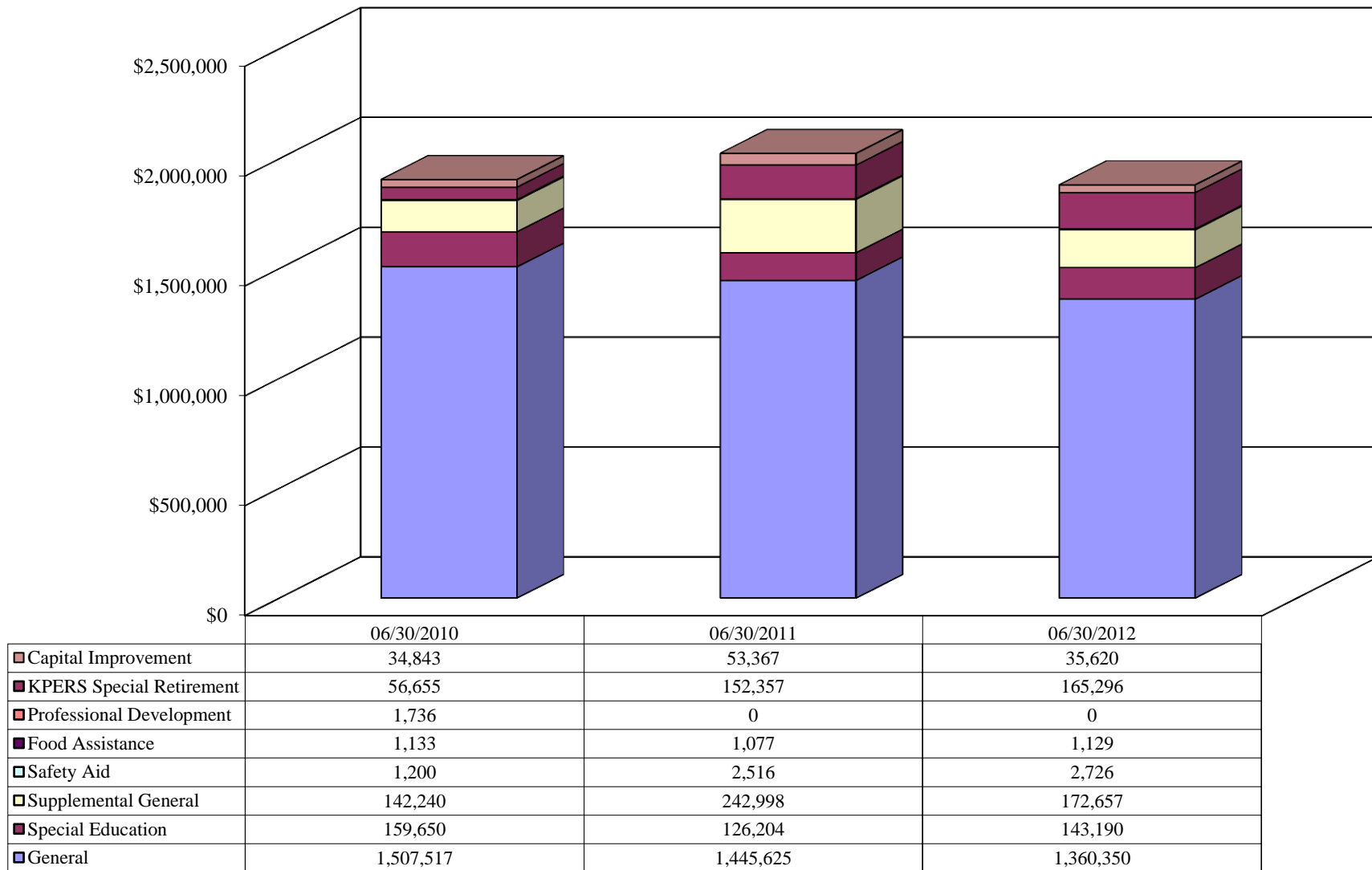
**06/30/2011**

**Unified School District No. 371  
Montezuma, Kansas  
General & Supplemental General Fund Revenues**

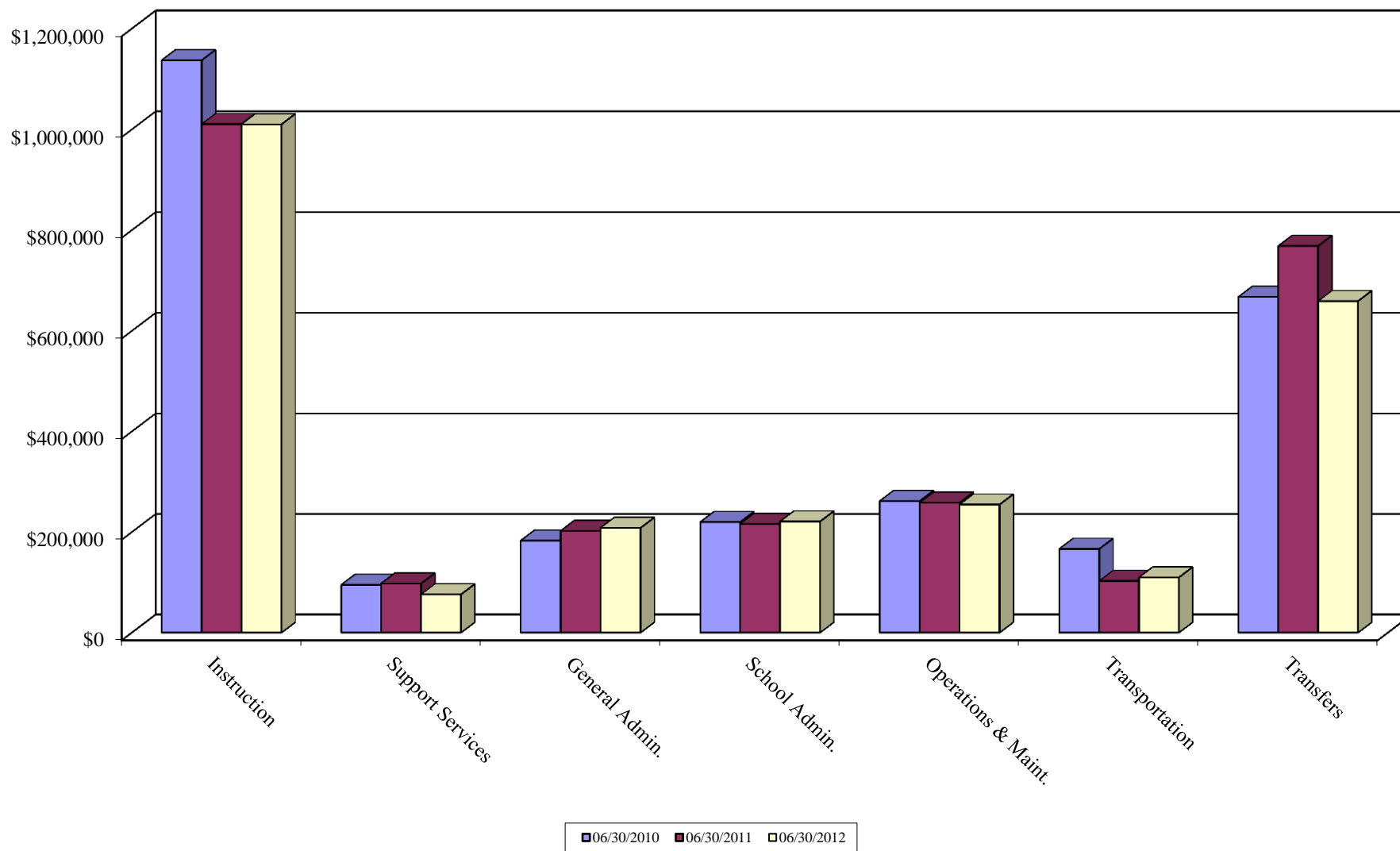


**06/30/2012**

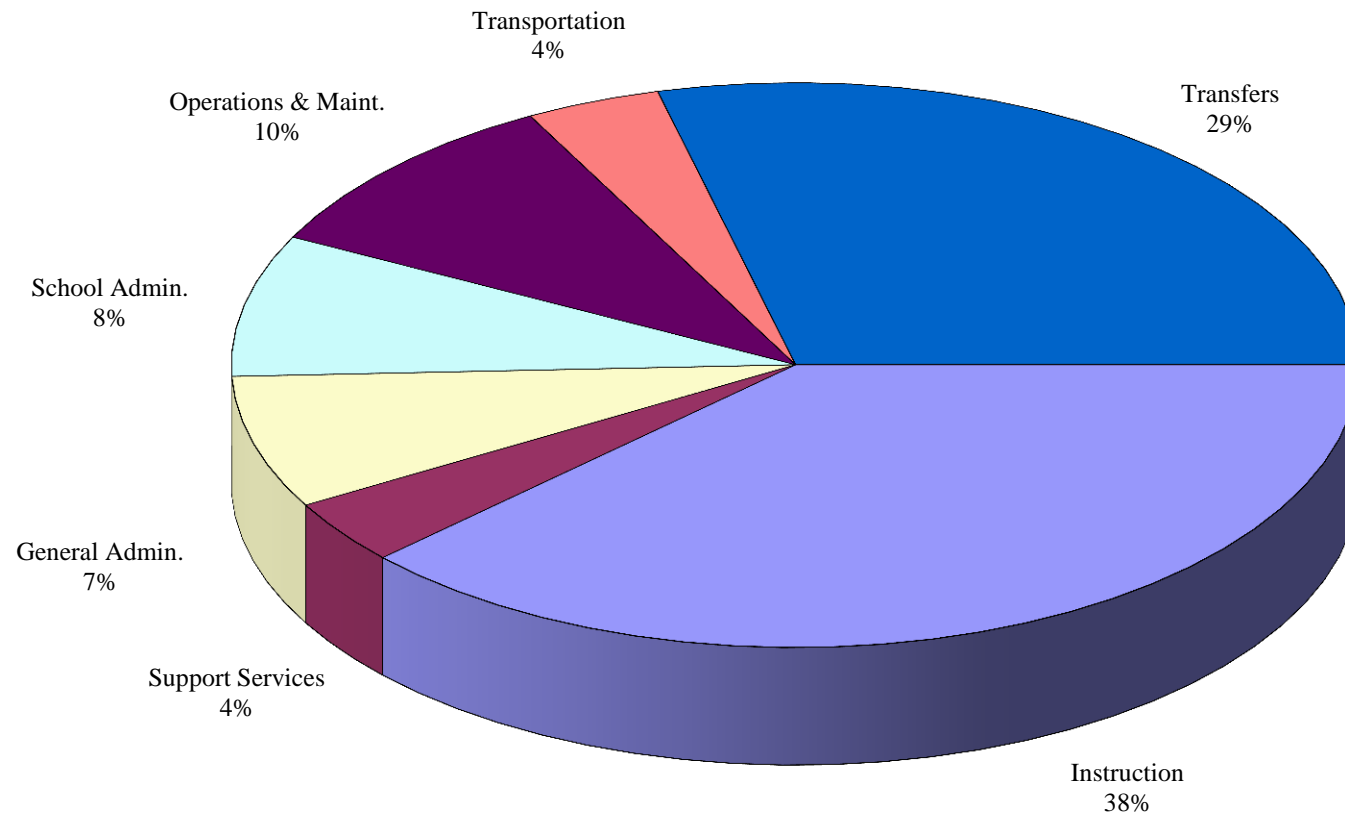
**Unified School District No. 371  
Montezuma, Kansas  
State Aid**



**Unified School District No. 371  
Montezuma, Kansas  
General & Supplemental General Fund Expenditures**

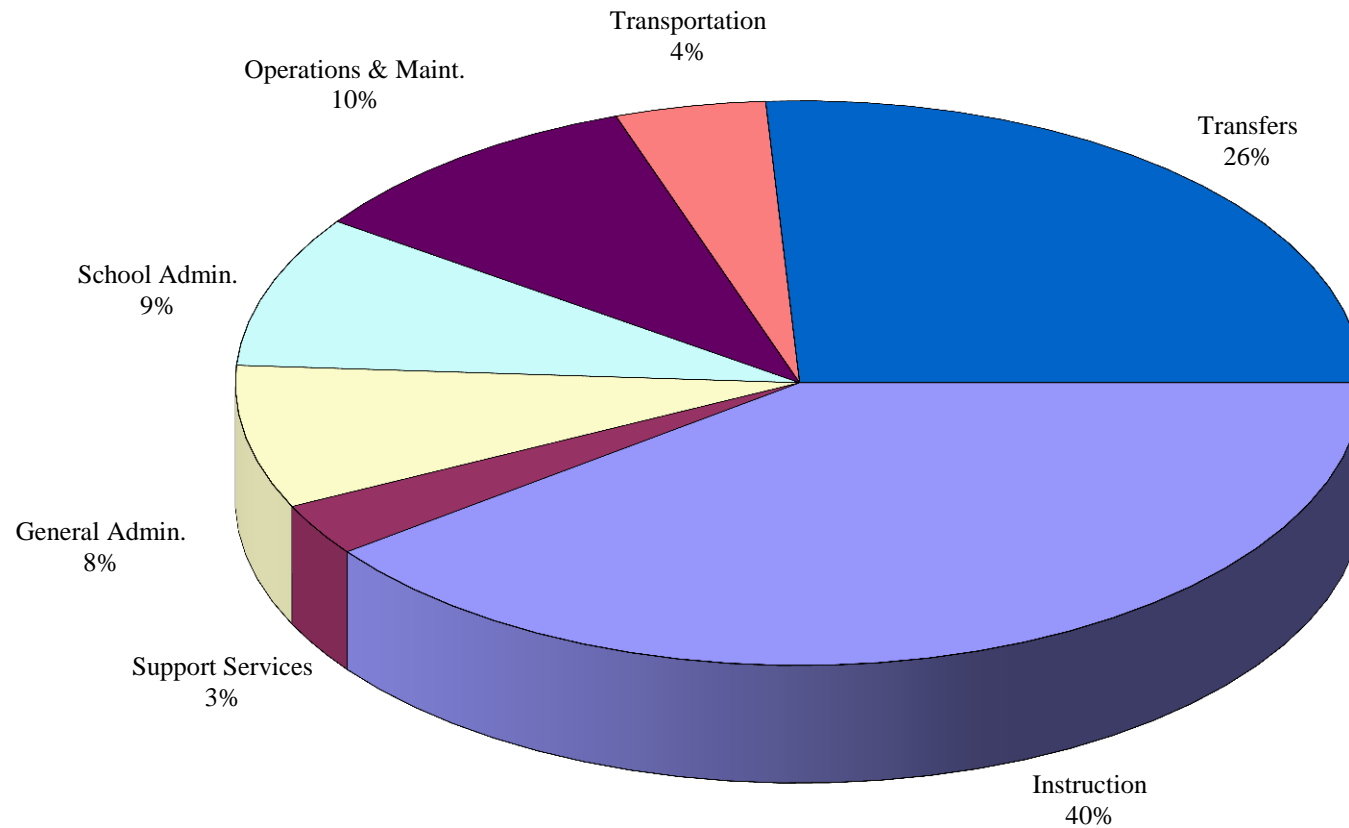


**Unified School District No. 371  
Montezuma, Kansas  
General & Supplemental General Fund Expenditures**



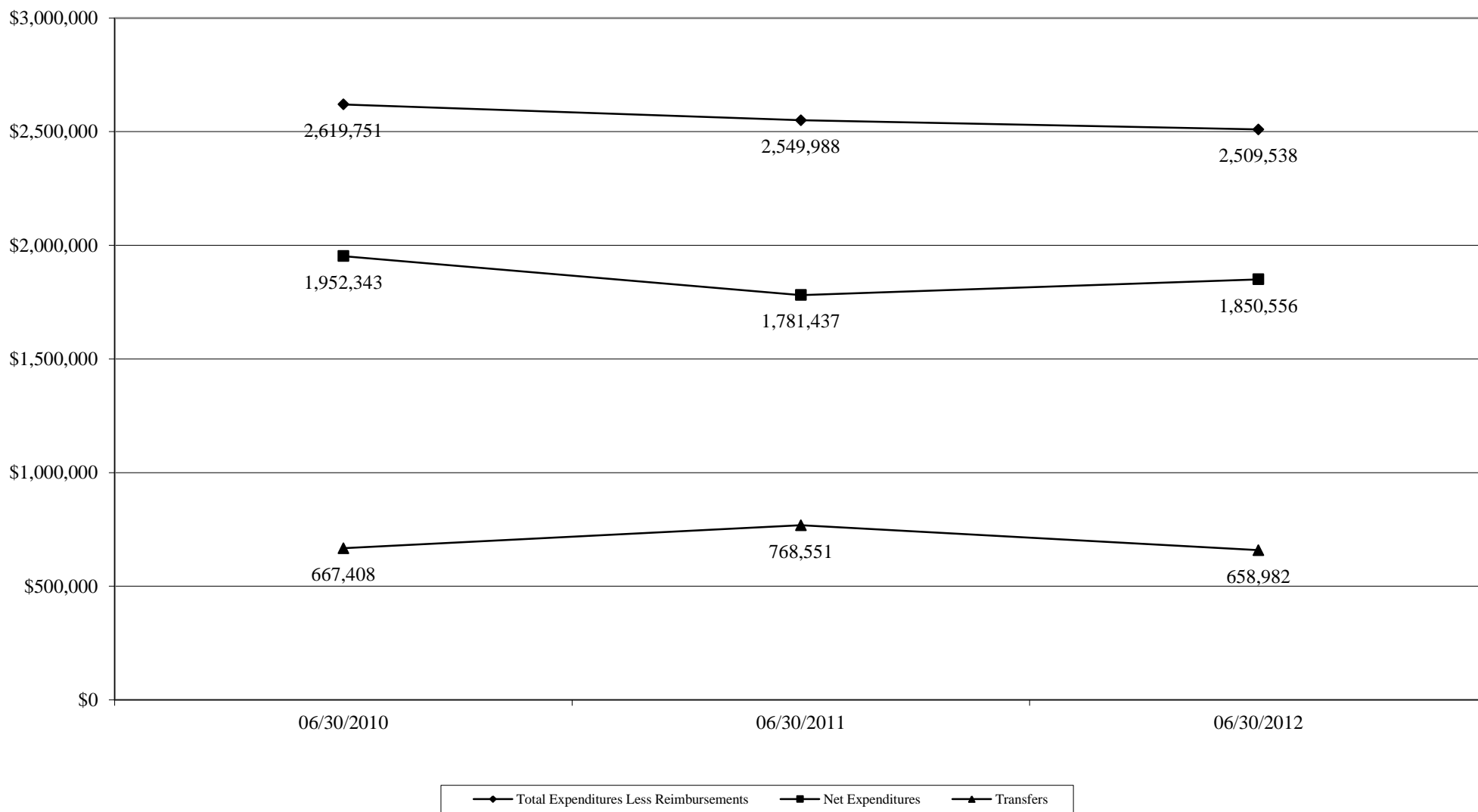
**06/30/2011**

**Unified School District No. 371  
Montezuma, Kansas  
General & Supplemental General Fund Expenditures**

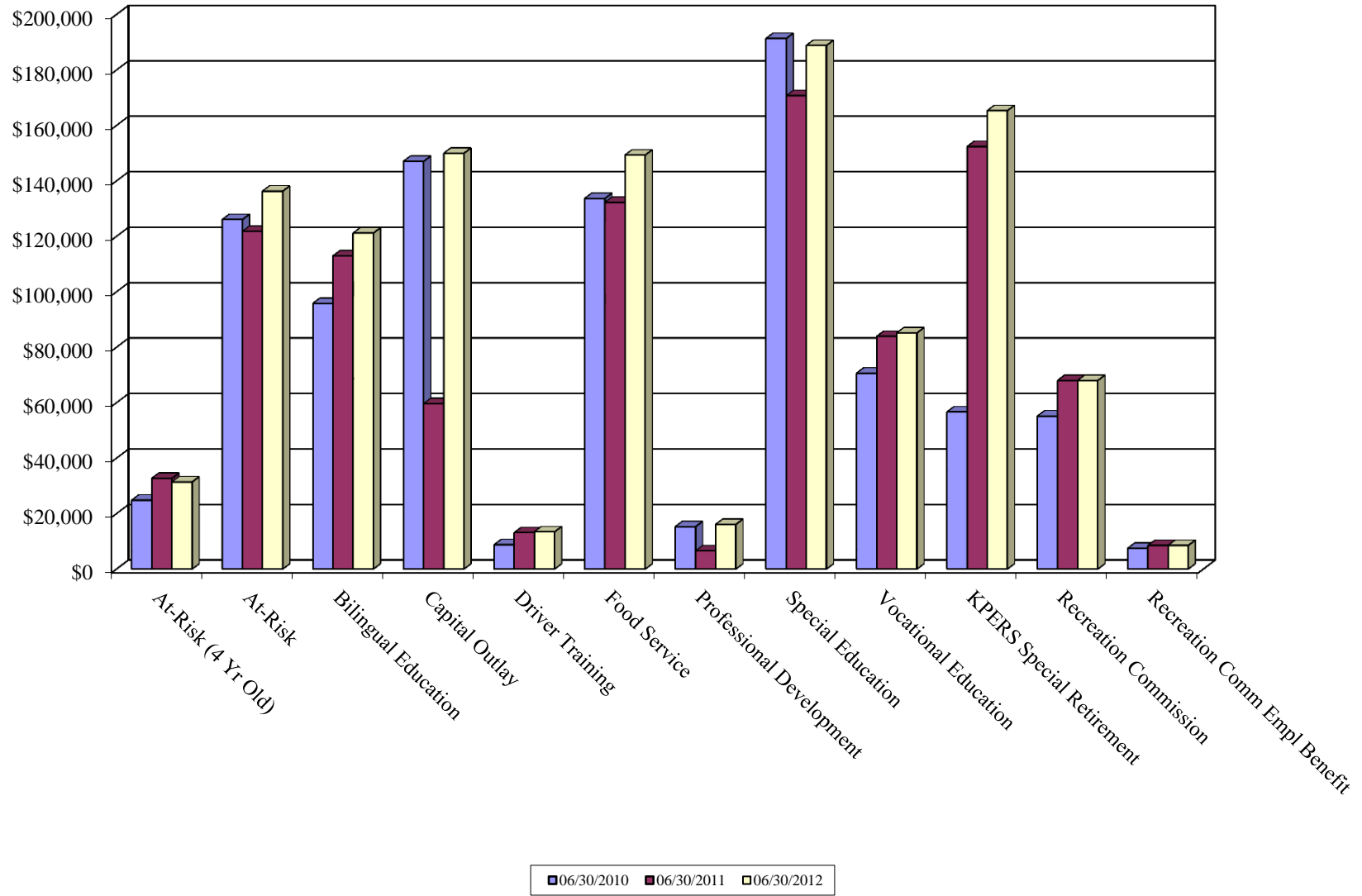


**06/30/201**

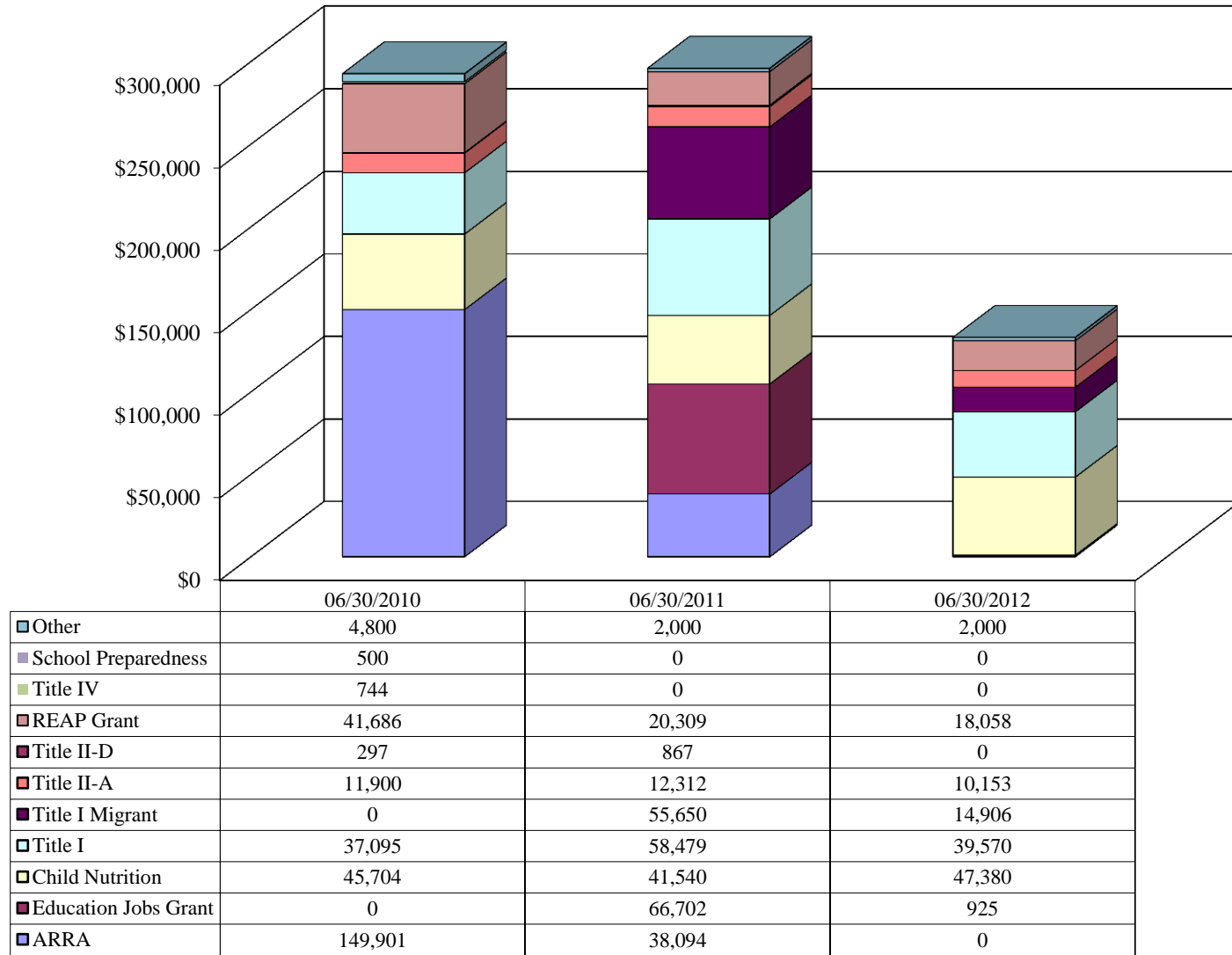
**Unified School District No. 371**  
**Montezuma, Kansas**  
**General & Supplemental General Fund Expenditures**



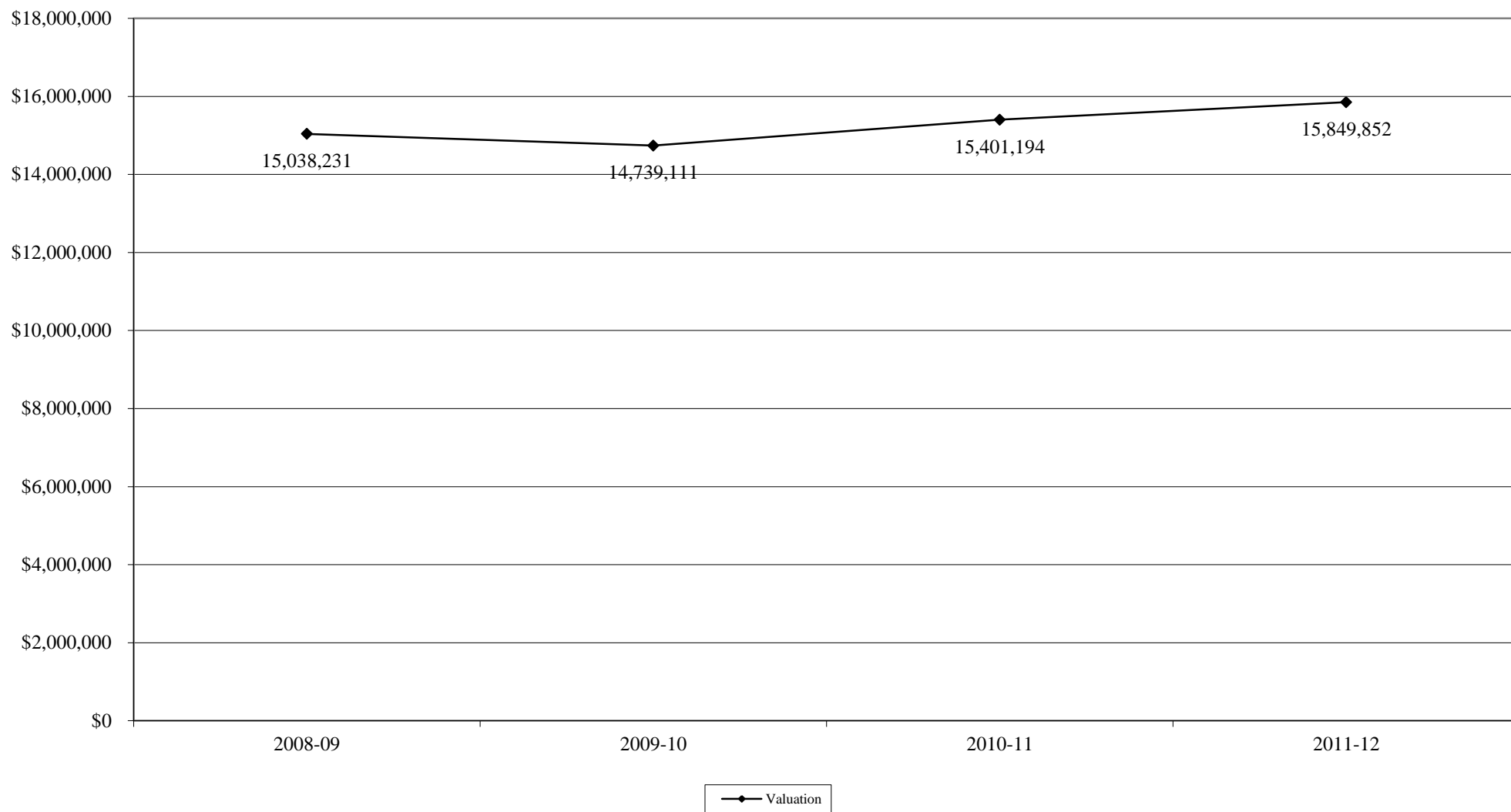
**Unified School District No. 371  
Montezuma, Kansas  
Special Revenue Fund Expenditures - Selected Funds**



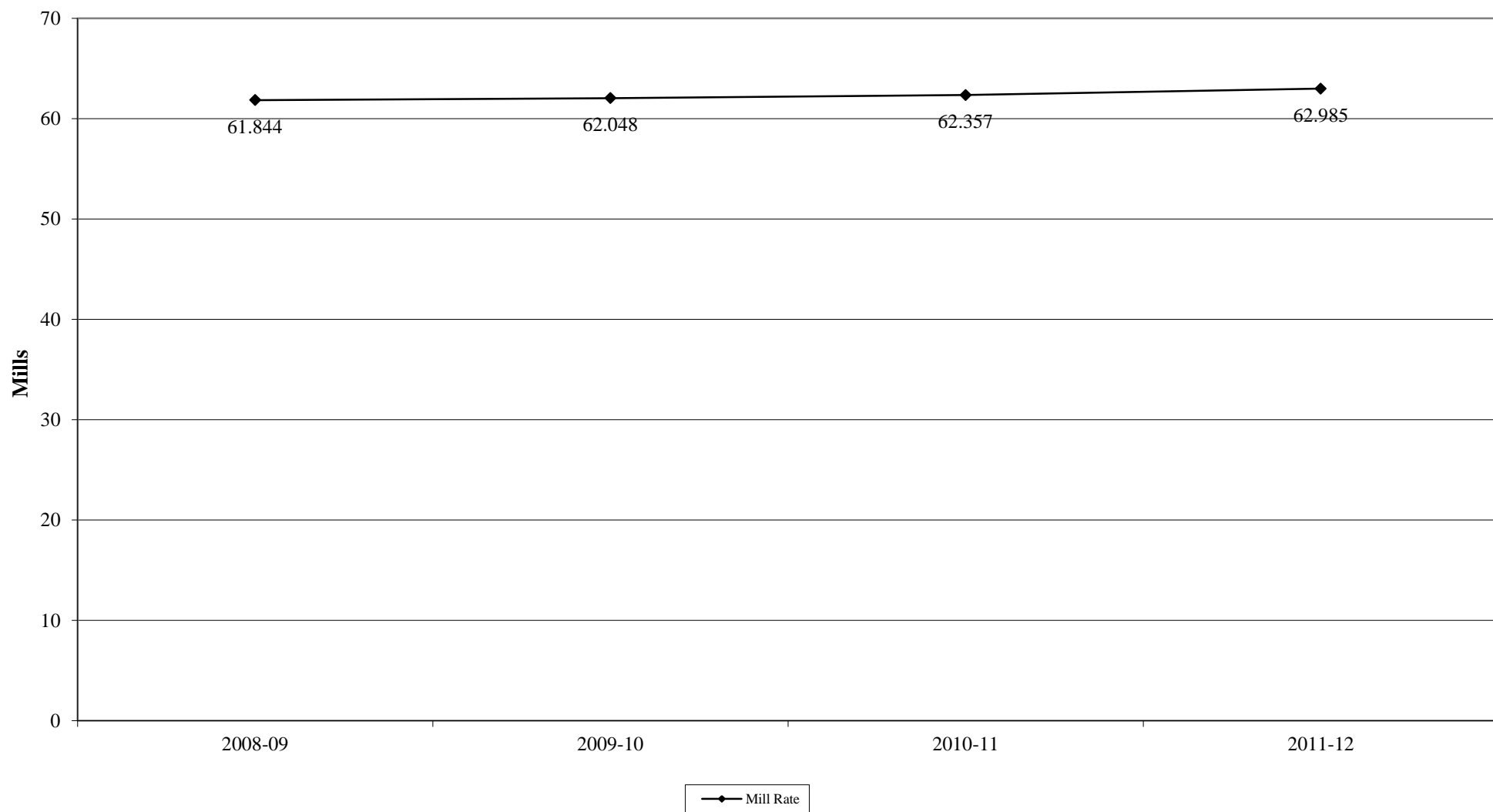
**Unified School District No. 371  
Montezuma, Kansas  
Federal Aid**



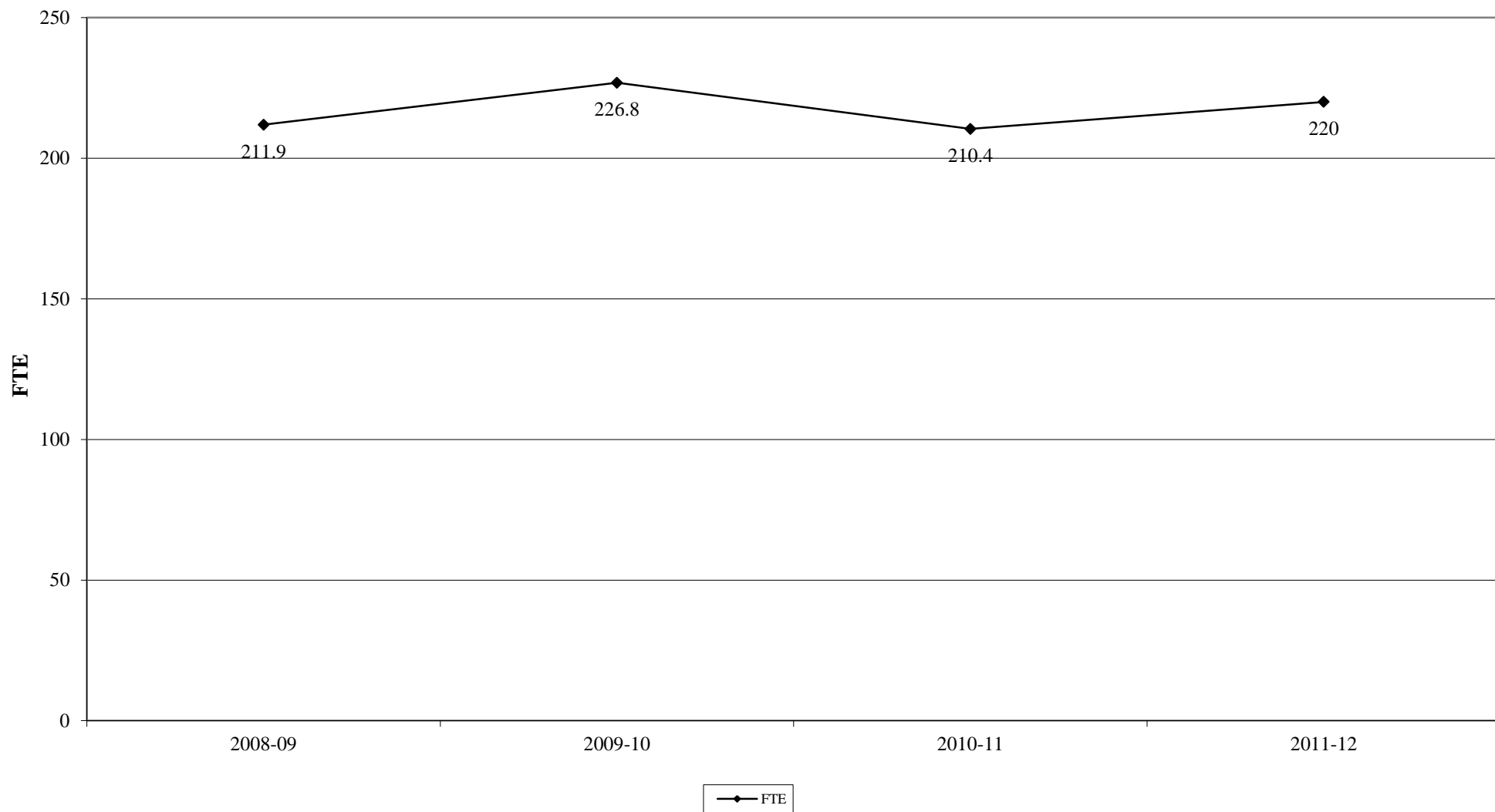
**Unified School District No. 371**  
**Montezuma, Kansas**  
**Valuation**



**Unified School District No. 371**  
**Montezuma, Kansas**  
**Mill Rate**



**Unified School District No. 371**  
**Montezuma, Kansas**  
**FTE**



**Unified School District No. 371**  
**Montezuma, Kansas**  
**General & Supplemental General Fund**  
**Expenditures per Pupil**

