

UNIFIED SCHOOL DISTRICT NO. 203, PIPER
KANSAS CITY, KANSAS

FINANCIAL STATEMENT
(with Independent Auditors' Reports thereon)

For the Year Ended June 30, 2013

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
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For the year ended June 30, 2013

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Kramer & Associates CPAs, LLC

Making the right move for your business

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Unified School District No. 203, Piper
Kansas City, Kansas

REPORT ON THE FINANCIAL STATEMENT

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 203, Piper, Kansas City, Kansas (the District), as of and for the year ended June 30, 2013 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement 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 and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described more fully in Note 1 of the financial statement, the financial statement is prepared by the District to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2013, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2013, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

REPORT ON REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures - actual and budget, individual fund schedules of regulatory basis receipts and expenditures - actual and budget, schedule of regulatory basis receipts and disbursements - agency funds, and schedule of regulatory basis receipts, expenditures, and unencumbered cash - district activity funds are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

REPORT ON OTHER SUPPLEMENTARY INFORMATION

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The schedule of expenditures of federal awards is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

REPORT ON SUMMARIZED COMPARATIVE INFORMATION

We have previously audited the District's 2012 financial statement, and our report dated December 10, 2012, expressed an unmodified opinion on that financial statement in accordance with the regulatory basis of accounting. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2012, is consistent, in all material respects, with the audited financial statement from which it has been derived.

Kramer & Associates CPAs, LLC

Kramer & Associates CPAs, LLC
Leavenworth, Kansas
November 11, 2013

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the year ended June 30, 2013

| Funds | Beginning unencumbered cash balance | Prior year cancelled encumbrances | Receipts | Expenditures | Ending unencumbered cash balance | Add encumbrances and accounts payable | Ending cash balance |
|-------------------------------|-------------------------------------|-----------------------------------|---------------------|---------------------|----------------------------------|---------------------------------------|---------------------|
| Governmental type funds: | | | | | | | |
| General funds: | | | | | | | |
| General | \$ 31,850 | \$ 2,637 | \$10,434,746 | \$10,434,746 | \$ 34,487 | \$ 40,460 | \$ 74,947 |
| Supplemental general | 391,716 | 13,618 | 3,704,423 | 3,369,486 | 740,271 | 106,930 | 847,201 |
| Special purpose funds: | | | | | | | |
| Federal funds | - | - | 94,253 | 94,253 | - | - | - |
| At risk (4 year old) | - | - | - | - | - | - | - |
| At risk (K-12) | 2,150 | - | 500,000 | 500,000 | 2,150 | - | 2,150 |
| Bilingual education | - | - | - | - | - | - | - |
| Capital outlay | 2,139,838 | 10,391 | 1,392,931 | 1,800,413 | 1,742,747 | 130,890 | 1,873,637 |
| Drivers education | - | - | - | - | - | - | - |
| Food service | 181,254 | - | 730,381 | 750,128 | 161,507 | - | 161,507 |
| Professional development | 19,688 | 2,875 | - | 20,000 | 2,563 | 450 | 3,013 |
| Special education | 1,559,545 | - | 1,722,558 | 1,770,099 | 1,512,004 | - | 1,512,004 |
| Vocational education | 9,978 | - | 110,000 | 110,000 | 9,978 | - | 9,978 |
| KPERs retirement contribution | - | - | 764,460 | 764,460 | - | - | - |
| Textbook and student material | 145,461 | 12,123 | 175,032 | 230,416 | 102,200 | 128,377 | 230,577 |
| Contingency reserve | 542,198 | - | - | - | 542,198 | - | 542,198 |
| Gift and grant | 734,050 | - | 146,598 | - | 880,648 | - | 880,648 |
| Gate receipts | 15,181 | - | 103,194 | 90,802 | 27,573 | - | 27,573 |
| School projects | 19,301 | - | 14,942 | 16,973 | 17,270 | - | 17,270 |
| Bond and interest fund: | | | | | | | |
| Bond and interest | 1,807,307 | - | 2,282,171 | 2,086,335 | 2,003,143 | - | 2,003,143 |
| Capital projects fund: | | | | | | | |
| Bond construction | - | - | 1,000,000 | 320,645 | 679,355 | - | 679,355 |
| Trust fund: | | | | | | | |
| Scholarship | 109,178 | - | 279 | 2,625 | 106,832 | - | 106,832 |
| Total reporting entity | | | | | | | |
| (excluding agency fund) | <u>\$ 7,708,695</u> | <u>\$ 41,644</u> | <u>\$23,175,968</u> | <u>\$22,361,381</u> | <u>\$ 8,564,926</u> | <u>\$ 407,107</u> | <u>\$ 8,972,033</u> |

| | | |
|----------------------|------------------------------|---------------------|
| Composition of cash: | Checking | \$ 7,129,149 |
| | Lease purchase money market | 679,355 |
| | Checking - activity accounts | 230,809 |
| | Scholarship savings | 5,647 |
| | Money market | <u>1,113,039</u> |
| | Total cash | 9,157,999 |
| | Less agency funds | <u>(185,966)</u> |
| | Total reporting entity | |
| | (excluding agency funds) | <u>\$ 8,972,033</u> |

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

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
NOTES TO THE FINANCIAL STATEMENT
For the year ended June 30, 2013

1. Summary of significant accounting policies

a. Municipal financial reporting entity

Unified School District No. 203, Piper, Kansas City, Kansas, ("the District") is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District No. 203, Piper, Kansas City, Kansas. There are no related municipal entities presented.

b. Reimbursed expenses

Certain expenditures are classified as reimbursed expenses. The purpose of these expenditures is payment for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934. The following expenditures are classified as reimbursed expenses for the year ended June 30, 2013:

| | |
|--------------|------------|
| General fund | \$ 498,548 |
|--------------|------------|

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statement and related schedules meet the following criteria:

1. the related disbursement was made in the current year on behalf of the payee,
2. the item paid for was directly identifiable as having been used by or provided to the payee, and
3. the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

c. Basis of accounting

Regulatory basis of accounting and departure from accounting principles generally accepted in the United States of America. The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities, or deferred inflows or outflows, other than those mentioned above.

The District has adopted a resolution in accordance with K.S.A. 75-1120a(c) waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

d. Cash and investments

Cash consists of checking and money market accounts.

Cash balances in all funds are considered in determining the amount to be invested and further, unless specifically designated, all investment income is credited to the capital outlay fund.

e. Fund descriptions

The following types of funds comprise the financial activities of the District for the year ended June 30, 2013:

- a. General fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.
- b. Special purpose funds - Used to account for the proceeds of specific tax levies and other specific revenue sources (other than capital projects and tax levies for long-term debt) that are intended for specified purposes.
- c. Bond and interest fund - Used to account for the accumulation of resources, including tax levies, transfers from other funds, and payment of general long-term debt.
- d. Capital projects fund - Used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.
- e. Trust fund - Funds used to report assets held in trust for the benefit of the municipal financial reporting entity.
- f. Agency funds - Funds used to report assets held by the District in a purely custodial capacity.

2. Stewardship, compliance, and accountability

a. Budgetary information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business 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 year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

2. Stewardship, compliance, and accountability (continued)

a. Budgetary information (continued)

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

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules 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 regulatory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds.

- Textbook & student material fund
- Contingency reserve fund
- Gift and grant 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 District.

b. Compliance with finance-related legal and contractual provisions

During June 2013, bank deposits were under-secured at Security Bank of Kansas City (K.S.A. 9-1402).

Management is not aware of any other finance-related legal and contractual violations for the period covered by the audit.

3. Deposits and investments

As of June 30, 2013, the District had no 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 bank to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

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

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

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2013.

At June 30, 2013, the District's carrying amount of deposits was \$8,478,644 and the bank balance was \$10,018,896. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance, and the remaining \$9,768,896 was collateralized with securities held by the pledging financial institutions' 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.

4. In-substance receipts in transit

The District received \$166,757 subsequent to June 30, 2013 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2013.

5. Capital projects

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

| | Project Authorization | Cash Disbursements and Accounts Payable To Date |
|--------------------------------------|--------------------------|-------------------------------------------------------------|
| Elementary West building renovations | \$ 2,008,311 | \$ 822,328 |

6. Long-term debt

On November 6, 2007, voters in the District authorized the issuance of up to \$29.9 million of general obligation bonds to fund a wide variety of improvements throughout the District. The projects included the construction of a new elementary school, the renovation of Piper High School, and security and technology upgrades throughout the District. The issuance of bonds was made in three different series consisting of Series 2008-A, 2008-B, and 2009-A.

On March 1, 2013, the District issued refunding bonds in the amount of \$3,420,000 (Series 2013-A). The proceeds of these bonds were placed in escrow to refund \$2,690,000 of the Series 2008-B bonds maturing in 2025 and 2028 on September 1, 2018. Semi-annual interest payments of \$73,975 will also be paid from the escrow account beginning on September 1, 2013 and ending on September 1, 2018.

The District entered into two lease purchase agreements to pay for the costs of acquiring, constructing, and installing energy conservation measures in the buildings and on the property owned by the District. The first agreement was signed in June 2008 for the amount of \$4,890,000. The second agreement was signed in January 2009 for \$2,674,000.

In December 2011, the District entered into a lease purchase agreement for eight copiers/printers. Terms of the lease require 60 monthly payments of \$2,948.

The District entered into a \$1,000,000 lease purchase agreement in May 2013 to pay for the costs of remodeling, renovation, repairing, reconstruction, furnishing, and equipping the Elementary West building for use as an early childhood center and administrative offices.

See the following page for more information related to the District's long-term debt and capital lease obligations.

6. Long-term debt (continued)

Changes in long-term liabilities for the District for the year ended June 30, 2013, were as follows:

| Issue | Interest rates | Date of issue | Amount of issue | Date of final maturity | Balance beginning of year | Additions | Reductions/payments | Balance end of year | Interest paid |
|----------------------------------|----------------|---------------|-----------------|------------------------|---------------------------|---------------------|-----------------------|----------------------|---------------------|
| General obligation bonds: | | | | | | | | | |
| Series 2008A | 3.38-5.00% | Feb. 2008 | \$ 14,980,000 | Sept. 2028 | \$ 14,905,000 | \$ - | \$ (250,000) | \$ 14,655,000 | \$ 614,209 |
| Series 2008B | 3.50-5.50% | Dec. 2008 | \$ 9,825,000 | Sept. 2028 | 8,720,000 | - | (3,115,000) | 5,605,000 | 413,813 |
| Series 2009A | 3.00-4.30% | April 2009 | \$ 7,000,000 | Sept. 2028 | 7,000,000 | - | (125,000) | 6,875,000 | 258,179 |
| Series 2013A | 2.00-2.375% | March 2013 | \$ 3,420,000 | Sept. 2028 | - | 3,420,000 | - | 3,420,000 | - |
| Capital leases: | | | | | | | | | |
| Energy lease | 5.04% | June 2008 | \$ 4,890,000 | Sept. 2028 | 4,391,370 | - | (175,991) | 4,215,379 | 219,135 |
| Energy lease | 5.85% | Jan. 2009 | \$ 2,674,000 | March 2029 | 2,452,882 | - | (87,430) | 2,365,452 | 142,259 |
| Copier lease | 5.93% | Dec. 2011 | \$ 152,739 | Dec. 2016 | 139,417 | - | (27,857) | 111,560 | 7,518 |
| Elem. Remodel | 3.25% | May 2013 | \$ 1,000,000 | June 2023 | - | 1,000,000 | - | 1,000,000 | - |
| Total long-term debt | | | | | \$ 37,608,669 | \$ 4,420,000 | \$ (3,781,278) | \$ 38,247,391 | \$ 1,655,113 |

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

| | Year ended June 30, | | | | | | | | |
|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|---------------------|----------------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019-2023 | 2024-2028 | 2029-2033 | Total |
| Principal: | | | | | | | | | |
| G.O. Bonds: | | | | | | | | | |
| Series 2008A | \$ 365,000 | \$ 455,000 | \$ 550,000 | \$ 655,000 | \$ 775,000 | \$ 4,695,000 | \$ 5,835,000 | \$ 1,325,000 | \$ 14,655,000 |
| Series 2008B | 325,000 | 350,000 | 375,000 | 415,000 | 430,000 | 2,510,000 | 1,065,000 | 135,000 | 5,605,000 |
| Series 2009A | 265,000 | 320,000 | 340,000 | 350,000 | 370,000 | 2,055,000 | 2,575,000 | 600,000 | 6,875,000 |
| Series 2013A | 35,000 | 70,000 | 75,000 | 75,000 | 75,000 | 245,000 | 2,270,000 | 575,000 | 3,420,000 |
| Capital leases: | | | | | | | | | |
| Energy lease | 184,972 | 194,412 | 204,334 | 214,762 | 225,723 | 1,313,629 | 1,684,840 | 192,707 | 4,215,379 |
| Energy lease | 92,621 | 98,119 | 103,944 | 110,115 | 116,652 | 695,737 | 928,274 | 219,990 | 2,365,452 |
| Copier lease | 29,554 | 31,355 | 33,266 | 17,385 | - | - | - | - | 111,560 |
| Elem. remodel | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 500,000 | - | - | 1,000,000 |
| Total principal | 1,397,147 | 1,618,886 | 1,781,544 | 1,937,262 | 2,092,375 | 12,014,366 | 14,358,114 | 3,047,697 | 38,247,391 |
| Interest: | | | | | | | | | |
| G.O. Bonds: | | | | | | | | | |
| Series 2008A | 603,831 | 589,993 | 572,690 | 551,603 | 520,765 | 1,994,248 | 915,712 | 28,156 | 5,776,998 |
| Series 2008B | 252,738 | 240,488 | 226,425 | 210,625 | 193,188 | 638,325 | 134,012 | 3,712 | 1,899,513 |
| Series 2009A | 251,841 | 242,335 | 232,035 | 221,685 | 210,885 | 854,611 | 406,294 | 12,900 | 2,432,586 |
| Series 2013A | 73,586 | 72,536 | 71,086 | 69,586 | 68,086 | 324,632 | 215,972 | 6,828 | 902,312 |
| Capital leases: | | | | | | | | | |
| Energy lease | 210,153 | 200,713 | 190,792 | 180,363 | 169,403 | 662,001 | 290,789 | 4,857 | 1,909,071 |
| Energy lease | 137,068 | 131,570 | 125,745 | 119,574 | 113,037 | 452,709 | 220,172 | 9,700 | 1,309,575 |
| Copier lease | 5,820 | 4,019 | 2,109 | 302 | - | - | - | - | 12,250 |
| Elem. remodel | 33,593 | 30,250 | 27,000 | 23,750 | 20,500 | 53,750 | - | - | 188,843 |
| Total interest | 1,568,630 | 1,511,904 | 1,447,882 | 1,377,488 | 1,295,864 | 4,980,276 | 2,182,951 | 66,153 | 14,431,148 |
| Total payments | \$ 2,965,777 | \$ 3,130,790 | \$ 3,229,426 | \$ 3,314,750 | \$ 3,388,239 | \$ 16,994,642 | \$ 16,541,065 | \$ 3,113,850 | \$ 52,678,539 |

7. Interfund transfers

Operating transfers were as follows:

| <u>From</u> | <u>To</u> | <u>Statutory Authority</u> | <u>Amount</u> |
|------------------------------|----------------------|----------------------------|---------------------|
| General Fund | At-Risk (K-12) | K.S.A. 72-6428 | \$ 500,000 |
| General Fund | Food Service | K.S.A. 72-6428 | 20,654 |
| General Fund | Special Education | K.S.A. 72-6428 | 1,698,521 |
| General Fund | Vocational Education | K.S.A. 72-6428 | <u>110,000</u> |
| Total general fund transfers | | | <u>2,329,175</u> |
| Total interfund transfers | | | <u>\$ 2,329,175</u> |

8. Commitments

The District has the following lease agreements:

- a. Noncancelable operating lease - The District entered into a lease agreement with Pitney Bowes in November 2009 for a postage meter. The lease period is for 48 months and requires total quarterly payments of \$345.
- b. Future minimum rental payments required under the non-cancelable operating leases as of June 30, 2013 are as follows:

| | |
|-------|-----------------|
| 2014 | <u>\$ 1,035</u> |
| Total | <u>\$ 1,035</u> |

9. Defined benefit pension plan

a. Plan description

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

9. Defined benefit pension plan (continued)

b. Funding policy

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate of 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. Member employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code.

The State of Kansas is required to contribute the statutory required employers share. Kansas currently contributes 9.77% of covered payroll for fiscal year 2012, and 10.37% of covered payroll for fiscal year 2013.

Kansas' contributions to KPERS for all Kansas public school employees for the years ending June 30, 2013, 2012, and 2011 were \$323,067,803, \$298,635,383, and \$253,834,044, respectively, equal to the required contributions for each year as set forth by the legislature. The amounts attributable to the District for the years ending June 30, 2013, 2012, and 2011 were \$764,460, \$786,070, and \$439,955,

10. Other post employment benefits

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.

11. Compensated absences

Accumulated vacation and sick leave paid during the current year are shown as an expenditure in the General Fund.

District policy requires the cancellation of accumulated sick leave upon termination of employment. Upon retirement, teachers who have a minimum of ten years of service may be paid 90% of the substitute teacher rate at the time for the first 50 days of accumulated sick leave and 100% of the substitute teacher rate for 51-100 days of accumulated sick leave. If a teacher has eight years of service and has accumulated sick leave of at least 66 days, the teacher may request by June 15 each year to be paid for any days accumulated over 65 at 90% of the substitute teacher rate in effect at the time.

Classified employees retiring after a minimum of ten consecutive years of service may be paid for all accumulated unused sick leave at 30% of the daily rate for the first 50 days of accumulated sick leave and 35% of the daily rate for 51-100 days of accumulated sick leave. If a classified employee has five consecutive years of service and has accumulated at least 66 days of sick leave, the employee may request by June 15 each year to be paid for any days over 65 at 30% of the daily rate of pay in effect at that time.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the year ended June 30, 2013

| Funds | Certified budget | Adjustment to comply with legal max | Adjustment for qualifying budget credits | Total budget for comparison | Expenditures chargeable to current year | Variance - over (under) |
|-------------------------------|---------------------|-------------------------------------------|------------------------------------------------|--------------------------------|-----------------------------------------------|----------------------------|
| Governmental type funds: | | | | | | |
| General funds: | | | | | | |
| General | \$ 10,013,342 | \$ (77,144) | \$ 498,548 | \$ 10,434,746 | \$ 10,434,746 | \$ - |
| Supplemental general | \$ 3,394,881 | \$ (25,290) | \$ - | \$ 3,369,591 | \$ 3,369,486 | \$ 105 |
| Special purpose funds: | | | | | | |
| Federal funds | \$ 108,289 | \$ - | \$ - | \$ 108,289 | \$ 94,253 | \$ 14,036 |
| At risk (4 year old) | \$ 15,352 | \$ - | \$ - | \$ 15,352 | \$ - | \$ 15,352 |
| At risk (K-12) | \$ 500,000 | \$ - | \$ - | \$ 500,000 | \$ 500,000 | \$ - |
| Bilingual education | \$ 5,757 | \$ - | \$ - | \$ 5,757 | \$ - | \$ 5,757 |
| Capital Outlay | \$ 2,950,000 | \$ - | \$ - | \$ 2,950,000 | \$ 1,800,413 | \$ 1,149,587 |
| Drivers education | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Food service | \$ 1,120,000 | \$ - | \$ - | \$ 1,120,000 | \$ 750,128 | \$ 369,872 |
| Professional development | \$ 20,000 | \$ - | \$ - | \$ 20,000 | \$ 20,000 | \$ - |
| Special education | \$ 2,295,000 | \$ - | \$ - | \$ 2,295,000 | \$ 1,770,099 | \$ 524,901 |
| Vocational education | \$ 110,000 | \$ - | \$ - | \$ 110,000 | \$ 110,000 | \$ - |
| KPERs retirement contribution | \$ 806,751 | \$ - | \$ - | \$ 806,751 | \$ 764,460 | \$ 42,291 |
| Bond and interest funds: | | | | | | |
| Bond and interest | \$ 2,087,000 | \$ - | \$ - | \$ 2,087,000 | \$ 2,086,335 | \$ 665 |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the year ended June 30, 2013

(with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year | | Variance - over (under) |
|-------------------------------------------|----------------------|-------------------|---------------------|----------------------------|
| | | Actual | Budget | |
| Cash receipts | | | | |
| Taxes and shared revenue: | | | | |
| Ad valorem property - taxes in process | \$ 106,438 | \$ 62,098 | \$ 61,066 | \$ 1,032 |
| Ad valorem property - current taxes | 2,719,242 | 2,797,014 | 2,359,558 | 437,456 |
| Delinquent | 131,500 | 158,913 | 88,480 | 70,433 |
| State aid: | | | | |
| Equalization aid | 4,906,501 | 5,339,061 | 5,896,238 | (557,177) |
| Special education services | 1,484,171 | 1,579,112 | 1,608,000 | (28,888) |
| Federal aid: | | | | |
| Education jobs fund | 4,484 | - | - | - |
| Transfers in: | | | | |
| Driver's education fund | 21,045 | - | - | - |
| Reimbursed expenses | <u>376,097</u> | <u>498,548</u> | <u>-</u> | <u>498,548</u> |
| Total cash receipts | <u>9,749,478</u> | <u>10,434,746</u> | <u>\$10,013,342</u> | <u>\$ 421,404</u> |
| Expenditures | | | | |
| Instruction | 4,376,024 | 4,765,748 | \$ 5,304,500 | \$ 538,752 |
| Student support services | 144,239 | 156,350 | 152,100 | (4,250) |
| Instructional support staff | 178,317 | 169,429 | 178,600 | 9,171 |
| General administration | 295,684 | 266,978 | 307,500 | 40,522 |
| School administration | 710,187 | 827,772 | 872,000 | 44,228 |
| Central services | 129,501 | 651,524 | - | (651,524) |
| Operations and maintenance | 915,622 | 620,331 | 656,405 | 36,074 |
| Student transportation services | 654,073 | 647,439 | 700,000 | 52,561 |
| Transfers out | 2,315,476 | 2,329,175 | 1,842,237 | (486,938) |
| Adjustment to comply with legal max | <u>-</u> | <u>-</u> | <u>(77,144)</u> | <u>(77,144)</u> |
| Legal general fund budget | 9,719,123 | 10,434,746 | 9,936,198 | (498,548) |
| Adjustment for qualifying budget credits: | | | | |
| Reimbursements | <u>-</u> | <u>-</u> | <u>498,548</u> | <u>498,548</u> |
| Total expenditures | <u>9,719,123</u> | <u>10,434,746</u> | <u>\$10,434,746</u> | <u>\$ -</u> |
| Cash receipts over (under) expenditures | 30,355 | - | | |
| Prior year cancelled encumbrances | - | 2,637 | | |
| Unencumbered cash, beginning of year | <u>1,495</u> | <u>31,850</u> | | |
| Unencumbered cash, end of year | <u>\$ 31,850</u> | <u>\$ 34,487</u> | | |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
SUPPLEMENTAL GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the year ended June 30, 2013

(with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year | | Variance - over (under) |
|------------------------------------------|----------------------|-------------------|---------------------|----------------------------|
| | | Actual | Budget | |
| Cash receipts | | | | |
| Taxes and shared revenue: | | | | |
| Ad valorem property - taxes in process | \$ 76,667 | \$ 44,019 | \$ 62,232 | \$ (18,213) |
| Ad valorem property - current taxes | 2,175,754 | 2,756,661 | 2,124,954 | 631,707 |
| Delinquent | 127,937 | 144,749 | 71,222 | 73,527 |
| Motor vehicle | 323,847 | 291,338 | 257,474 | 33,864 |
| Recreational vehicle | 1,328 | 1,011 | 1,347 | (336) |
| State aid: | | | | |
| Equalization aid | 263,661 | 466,645 | 476,098 | (9,453) |
| Total cash receipts | <u>2,969,194</u> | <u>3,704,423</u> | <u>\$ 2,993,327</u> | <u>\$ 711,096</u> |
| Expenditures | | | | |
| Instruction | 1,646,981 | 2,416,035 | \$ 1,645,660 | \$ (770,375) |
| Student support services | 84,425 | 113,256 | 124,000 | 10,744 |
| Instructional support staff | 68,740 | 47,760 | 40,453 | (7,307) |
| General administration | 91,159 | 101,610 | 60,000 | (41,610) |
| School administration | 218,895 | 126,203 | 154,000 | 27,797 |
| Central services | 165,379 | 323,403 | - | (323,403) |
| Operations and maintenance | 428,379 | 241,219 | 360,768 | 119,549 |
| Student transportation services | 60,997 | - | - | - |
| Transfers out | 284,912 | - | 1,010,000 | 1,010,000 |
| Adjustment to comply with legal max | - | - | (25,290) | (25,290) |
| Legal supplemental general fund budget | 3,049,867 | 3,369,486 | 3,369,591 | 105 |
| Adjustment for qualifying budget credits | | | | |
| Reimbursements | - | - | - | - |
| Total expenditures | <u>3,049,867</u> | <u>3,369,486</u> | <u>\$ 3,369,591</u> | <u>\$ 105</u> |
| Cash receipts over (under) expenditures | (80,673) | 334,937 | | |
| Prior year cancelled encumbrances | - | 13,618 | | |
| Unencumbered cash, beginning of year | <u>472,389</u> | <u>391,716</u> | | |
| Unencumbered cash, end of year | <u>\$ 391,716</u> | <u>\$ 740,271</u> | | |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 FEDERAL FUNDS

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the year ended June 30, 2013

(with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year | | |
|--------------------------------------------|----------------------|--------------|------------|----------------------------|
| | | Actual | Budget | Variance - over (under) |
| Cash receipts | | | | |
| Federal aid: | | | | |
| Title I | \$ 77,799 | \$ 66,129 | \$ 87,289 | \$ (21,160) |
| Title II | 24,647 | 28,124 | 21,000 | 7,124 |
| Total cash receipts | 102,446 | 94,253 | \$ 108,289 | \$ (14,036) |
| Expenditures | | | | |
| Instruction | 102,446 | 94,253 | \$ 108,289 | \$ 14,036 |
| Adjustment for qualifying budget credits: | | | | |
| Federal funds received in excess of budget | - | - | - | - |
| Total expenditures | 102,446 | 94,253 | \$ 108,289 | \$ 14,036 |
| Receipts over (under) expenditures | - | - | | |
| Unencumbered cash, beginning of year | - | - | | |
| Unencumbered cash, end of year | \$ - | \$ - | | |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 AT RISK (4 YEAR OLD) FUND
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the year ended June 30, 2013
 (with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year | | Variance - over (under) |
|-------------------------------------------|----------------------|--------------|------------------|----------------------------|
| | | Actual | Budget | |
| Cash receipts | | | | |
| Tuition from individuals | \$ - | \$ - | \$ 15,352 | \$ (15,352) |
| Total cash receipts | <u>-</u> | <u>-</u> | <u>\$ 15,352</u> | <u>\$ (15,352)</u> |
| Expenditures | | | | |
| Instruction | - | - | \$ 15,352 | \$ 15,352 |
| Adjustment for qualifying budget credits: | | | | |
| Reimbursements | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>\$ 15,352</u> | <u>\$ 15,352</u> |
| Receipts over (under) expenditures | - | - | | |
| Unencumbered cash, beginning of year | <u>-</u> | <u>-</u> | | |
| Unencumbered cash, end of year | <u>\$ -</u> | <u>\$ -</u> | | |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 AT RISK (K-12) FUND
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the year ended June 30, 2013
 (with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year | | |
|-------------------------------------------|----------------------|-----------------|-------------------|----------------------------|
| | | Actual | Budget | Variance - over (under) |
| Cash receipts | | | | |
| Transfers in: | | | | |
| General fund | \$ 472,000 | \$ 500,000 | \$ - | \$ 500,000 |
| Supplemental general fund | - | - | 500,000 | (500,000) |
| Total cash receipts | <u>472,000</u> | <u>500,000</u> | <u>\$ 500,000</u> | <u>\$ -</u> |
| Expenditures | | | | |
| Instruction | 521,219 | 500,000 | \$ 500,000 | \$ - |
| Adjustment for qualifying budget credits: | | | | |
| Reimbursements | - | - | - | - |
| Total expenditures | <u>521,219</u> | <u>500,000</u> | <u>\$ 500,000</u> | <u>\$ -</u> |
| Cash receipts over (under) expenditures | (49,219) | - | | |
| Unencumbered cash, beginning of year | <u>51,369</u> | <u>2,150</u> | | |
| Unencumbered cash, end of year | <u>\$ 2,150</u> | <u>\$ 2,150</u> | | |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 BILINGUAL EDUCATION FUND
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the year ended June 30, 2013
 (with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year | | Variance - over (under) |
|-------------------------------------------|----------------------|--------------|-----------------|----------------------------|
| | | Actual | Budget | |
| Cash receipts | | | | |
| Federal aid | \$ - | \$ - | \$ 5,757 | \$ (5,757) |
| Total cash receipts | - | - | <u>\$ 5,757</u> | <u>\$ (5,757)</u> |
| Expenditures | | | | |
| Instruction | - | - | \$ 5,757 | \$ 5,757 |
| Adjustment for qualifying budget credits: | | | | |
| Reimbursements | - | - | - | - |
| Total expenditures | - | - | <u>\$ 5,757</u> | <u>\$ 5,757</u> |
| Cash receipts over (under) expenditures | - | - | | |
| Unencumbered cash, beginning of year | - | - | | |
| Unencumbered cash, end of year | <u>\$ -</u> | <u>\$ -</u> | | |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
CAPITAL OUTLAY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the year ended June 30, 2013

(with comparative actual totals for the year ended June 30, 2012)

| | Prior Year actual | Current year | | |
|-------------------------------------------|----------------------|---------------------|---------------------|----------------------------|
| | | Actual | Budget | Variance - over (under) |
| Cash receipts | | | | |
| Taxes and shared revenue: | | | | |
| Ad valorem property - taxes in process | \$ 31,461 | \$ 22,108 | \$ 15,742 | \$ 6,366 |
| Ad valorem property - current taxes | 1,081,008 | 1,159,282 | 1,001,064 | 158,218 |
| Delinquent | 54,050 | 64,777 | 34,901 | 29,876 |
| Motor vehicle | 113,584 | 125,326 | 112,015 | 13,311 |
| Recreational vehicle | 457 | 431 | 586 | (155) |
| Interest on idle funds | 32,503 | 21,007 | 25,000 | (3,993) |
| Total cash receipts | <u>1,313,063</u> | <u>1,392,931</u> | <u>\$ 1,189,308</u> | <u>\$ 203,623</u> |
| Expenditures | | | | |
| Instruction | 343,159 | 222,308 | \$ 500,000 | \$ 277,692 |
| Student support services | - | - | 500,000 | 500,000 |
| Instructional support staff | 8,337 | - | - | - |
| General administration | 19,427 | 15,622 | - | (15,622) |
| School administration | - | 168 | - | (168) |
| Operations and maintenance | 5,125 | 4,166 | - | (4,166) |
| Facilities acquisition and construction | 3,488,265 | 1,558,149 | 1,250,000 | (308,149) |
| Principal | - | - | 700,000 | 700,000 |
| Adjustment for qualifying budget credits: | | | | |
| Reimbursements | - | - | - | - |
| Total expenditures | <u>3,864,313</u> | <u>1,800,413</u> | <u>\$ 2,950,000</u> | <u>\$ 1,149,587</u> |
| Cash receipts over (under) expenditures | (2,551,250) | (407,482) | | |
| Prior year cancelled encumbrances | - | 10,391 | | |
| Unencumbered cash, beginning of year | <u>4,691,088</u> | <u>2,139,838</u> | | |
| Unencumbered cash, end of year | <u>\$ 2,139,838</u> | <u>\$ 1,742,747</u> | | |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 DRIVERS EDUCATION FUND
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the year ended June 30, 2013
 (with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year | | Variance - over (under) |
|-------------------------------------------|----------------------|--------------|-------------|----------------------------|
| | | Actual | Budget | |
| Cash receipts | | | | |
| Revenue from other local source | \$ - | \$ - | \$ - | \$ - |
| Total cash receipts | <u>-</u> | <u>-</u> | <u>\$ -</u> | <u>\$ -</u> |
| Expenditures | | | | |
| Transfers out | 21,045 | - | \$ - | \$ - |
| Adjustment for qualifying budget credits: | | | | |
| Reimbursements | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>21,045</u> | <u>-</u> | <u>\$ -</u> | <u>\$ -</u> |
| Receipts over (under) expenditures | (21,045) | - | | |
| Unencumbered cash, beginning of year | <u>21,045</u> | <u>-</u> | | |
| Unencumbered cash, end of year | <u>\$ -</u> | <u>\$ -</u> | | |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
FOOD SERVICE FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the year ended June 30, 2013

(with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year | | Variance - over (under) |
|-------------------------------------------|----------------------|-------------------|---------------------|----------------------------|
| | | Actual | Budget | |
| Cash receipts | | | | |
| State aid: | | | | |
| School food assistance | \$ 8,694 | \$ 8,258 | \$ 10,544 | \$ (2,286) |
| Federal aid: | | | | |
| Federal child nutrition program | 217,175 | 221,914 | 249,599 | (27,685) |
| Charges for service | 560,177 | 479,363 | 727,820 | (248,457) |
| Miscellaneous | 1,672 | 192 | - | 192 |
| Transfers in: | | | | |
| General fund | - | 20,654 | - | 20,654 |
| Total cash receipts | <u>787,718</u> | <u>730,381</u> | <u>\$ 987,963</u> | <u>\$ (257,582)</u> |
| Expenditures | | | | |
| Food service operations | 847,304 | 750,128 | 1,120,000 | 369,872 |
| Adjustment for qualifying budget credits: | | | | |
| Reimbursements | - | - | - | - |
| Total expenditures | <u>847,304</u> | <u>750,128</u> | <u>\$ 1,120,000</u> | <u>\$ 369,872</u> |
| Cash receipts over (under) expenditures | (59,586) | (19,747) | | |
| Unencumbered cash, beginning of year | <u>240,840</u> | <u>181,254</u> | | |
| Unencumbered cash, end of year | <u>\$ 181,254</u> | <u>\$ 161,507</u> | | |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 PROFESSIONAL DEVELOPMENT FUND
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the year ended June 30, 2013
 (with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year | | Variance - over (under) |
|-------------------------------------------|----------------------|-----------------|------------------|----------------------------|
| | | Actual | Budget | |
| Cash receipts | | | | |
| Transfers in: | | | | |
| General fund | \$ - | \$ - | \$ 20,000 | \$ (20,000) |
| Total cash receipts | - | - | <u>\$ 20,000</u> | <u>\$ (20,000)</u> |
| Expenditures | | | | |
| Instructional support staff | 22,311 | 20,000 | \$ 20,000 | \$ - |
| Adjustment for qualifying budget credits: | | | | |
| Reimbursements | - | - | - | - |
| Total expenditures | <u>22,311</u> | <u>20,000</u> | <u>\$ 20,000</u> | <u>\$ -</u> |
| Cash receipts over (under) expenditures | (22,311) | (20,000) | | |
| Prior year cancelled encumbrances | - | 2,875 | | |
| Unencumbered cash, beginning of year | <u>41,999</u> | <u>19,688</u> | | |
| Unencumbered cash, end of year | <u>\$ 19,688</u> | <u>\$ 2,563</u> | | |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
SPECIAL EDUCATION FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the year ended June 30, 2013

(with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year | | Variance - over (under) |
|-------------------------------------------|----------------------|---------------------|---------------------|----------------------------|
| | | Actual | Budget | |
| Cash receipts | | | | |
| Miscellaneous | \$ 61,621 | \$ 24,037 | \$ - | \$ 24,037 |
| Transfers in: | | | | |
| General fund | 1,843,476 | 1,698,521 | 1,822,237 | (123,716) |
| Supplemental general fund | <u>184,912</u> | <u>-</u> | <u>400,000</u> | <u>(400,000)</u> |
| Total cash receipts | <u>2,090,009</u> | <u>1,722,558</u> | <u>\$ 2,222,237</u> | <u>\$ (499,679)</u> |
| Expenditures | | | | |
| Instruction | 2,150,969 | 1,770,099 | \$ 2,295,000 | \$ 524,901 |
| Adjustment for qualifying budget credits: | | | | |
| Reimbursements | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>2,150,969</u> | <u>1,770,099</u> | <u>\$ 2,295,000</u> | <u>\$ 524,901</u> |
| Cash receipts over (under) expenditures | (60,960) | (47,541) | | |
| Unencumbered cash, beginning of year | <u>1,620,505</u> | <u>1,559,545</u> | | |
| Unencumbered cash, end of year | <u>\$ 1,559,545</u> | <u>\$ 1,512,004</u> | | |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 VOCATIONAL EDUCATION FUND
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the year ended June 30, 2013
 (with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year | | |
|-------------------------------------------|----------------------|--------------|------------|----------------------------|
| | | Actual | Budget | Variance - over (under) |
| Cash receipts | | | | |
| Transfers in: | | | | |
| General fund | \$ - | \$ 110,000 | \$ - | \$ 110,000 |
| Supplemental general fund | 100,000 | - | 110,000 | (110,000) |
| Total cash receipts | 100,000 | 110,000 | \$ 110,000 | \$ - |
| Expenditures | | | | |
| Instruction | 132,655 | 110,000 | \$ 110,000 | \$ - |
| Adjustment for qualifying budget credits: | | | | |
| Reimbursements | - | - | - | - |
| Total expenditures | 132,655 | 110,000 | \$ 110,000 | \$ - |
| Cash receipts over (under) expenditures | (32,655) | - | | |
| Unencumbered cash, beginning of year | 42,633 | 9,978 | | |
| Unencumbered cash, end of year | \$ 9,978 | \$ 9,978 | | |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 KPERS RETIREMENT CONTRIBUTION FUND
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the year ended June 30, 2013
 (with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year | | |
|-------------------------------------------|----------------------|----------------|-------------------|----------------------------|
| | | Actual | Budget | Variance - over (under) |
| Cash receipts | | | | |
| State aid: | | | | |
| KPERS Contributions | \$ 786,070 | \$ 764,460 | \$ 806,751 | \$ (42,291) |
| Total cash receipts | <u>786,070</u> | <u>764,460</u> | <u>\$ 806,751</u> | <u>\$ (42,291)</u> |
| Expenditures | | | | |
| Instruction | 510,945 | 496,899 | \$ 500,000 | \$ 3,101 |
| Student support services | 31,443 | 30,578 | 120,000 | 89,422 |
| Instructional support staff | 39,303 | 38,223 | 55,000 | 16,777 |
| General administration | 39,304 | 38,223 | 28,000 | (10,223) |
| School administration | 78,607 | 76,446 | 28,000 | (48,446) |
| Central services | 7,861 | 7,645 | 25,751 | 18,106 |
| Operations and maintenance | 78,607 | 76,446 | 25,000 | (51,446) |
| Food service operations | - | - | 25,000 | 25,000 |
| Adjustment for qualifying budget credits: | | | | |
| Reimbursements | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>786,070</u> | <u>764,460</u> | <u>\$ 806,751</u> | <u>\$ 42,291</u> |
| Cash receipts over (under) expenditures | - | - | | |
| Unencumbered cash, beginning of year | <u>-</u> | <u>-</u> | | |
| Unencumbered cash, end of year | <u>\$ -</u> | <u>\$ -</u> | | |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 TEXTBOOK & STUDENT MATERIAL FUND*
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the year ended June 30, 2013
 (with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year actual |
|-----------------------------------------|----------------------|------------------------|
| Cash receipts | | |
| Charge for services | \$ 199,205 | \$ 175,032 |
| Total cash receipts | 199,205 | 175,032 |
| Expenditures | | |
| Instruction | 149,031 | 230,416 |
| Student activity | - | - |
| Total expenditures | 149,031 | 230,416 |
| Cash receipts over (under) expenditures | 50,174 | (55,384) |
| Prior year cancelled encumbrances | - | 12,123 |
| Unencumbered cash, beginning of year | 95,287 | 145,461 |
| Unencumbered cash, end of year | \$ 145,461 | \$ 102,200 |

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 CONTINGENCY RESERVE FUND*
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the year ended June 30, 2013
 (with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year actual |
|-----------------------------------------|----------------------|------------------------|
| Cash receipts | | |
| Transfers in: | | |
| General fund | \$ - | \$ - |
| Total cash receipts | - | - |
| Expenditures | | |
| Instruction | - | - |
| Total expenditures | - | - |
| Cash receipts over (under) expenditures | - | - |
| Unencumbered cash, beginning of year | 542,198 | 542,198 |
| Unencumbered cash, end of year | \$ 542,198 | \$ 542,198 |

*This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 GIFT AND GRANT FUND *
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the year ended June 30, 2013
 (with comparative actual totals for the year ended June 30, 2012)

| | <u>Prior year actual</u> | <u>Current year actual</u> |
|-----------------------------------------|------------------------------|--------------------------------|
| Cash receipts | | |
| Revenue from other local source | <u>\$ -</u> | <u>\$ 146,598</u> |
| Total cash receipts | <u>-</u> | <u>146,598</u> |
| Expenditures | | |
| Community services | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> |
| Cash receipts over (under) expenditures | - | 146,598 |
| Unencumbered cash, beginning of year | <u>734,050</u> | <u>734,050</u> |
| Unencumbered cash, end of year | <u>\$ 734,050</u> | <u>\$ 880,648</u> |

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
BOND & INTEREST FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the year ended June 30, 2013

(with comparative actual totals for the year ended June 30, 2012)

| | Prior year actual | Current year | | Variance - over (under) |
|-----------------------------------------|----------------------|---------------------|---------------------|----------------------------|
| | | Actual | Budget | |
| Cash receipts | | | | |
| Taxes and shared revenue: | | | | |
| Ad valorem property - taxes in process | \$ 55,766 | \$ 38,488 | \$ 4,682 | \$ 33,806 |
| Ad valorem property - current taxes | 1,889,835 | 1,928,002 | 1,664,442 | 263,560 |
| Delinquent | 69,430 | 98,410 | 60,287 | 38,123 |
| Motor vehicle | 150,510 | 216,528 | 193,688 | 22,840 |
| Recreational vehicle | 581 | 743 | 1,014 | (271) |
| State aid | (7,121) | - | - | - |
| Total cash receipts | <u>2,159,001</u> | <u>2,282,171</u> | <u>\$ 1,924,113</u> | <u>\$ 358,058</u> |
| Expenditures | | | | |
| Principal | 600,000 | 800,000 | \$ 800,000 | \$ - |
| Interest | 1,310,341 | 1,286,200 | 1,287,000 | 800 |
| Fiscal charges | - | 135 | - | (135) |
| Total expenditures | <u>1,910,341</u> | <u>2,086,335</u> | <u>\$ 2,087,000</u> | <u>\$ 665</u> |
| Cash receipts over (under) expenditures | 248,660 | 195,836 | | |
| Unencumbered cash, beginning of year | <u>1,558,647</u> | <u>1,807,307</u> | | |
| Unencumbered cash, end of year | <u>\$ 1,807,307</u> | <u>\$ 2,003,143</u> | | |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 CAPITAL PROJECTS FUND*
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the year ended June 30, 2013
 (with comparative actual totals for the year ended June 30, 2012)

| | <u>Prior year actual</u> | <u>Current year actual</u> |
|------------------------------------------|------------------------------|--------------------------------|
| Cash receipts | | |
| Proceeds from issuance of lease purchase | \$ - | \$ 1,000,000 |
| Interest on idle funds | <u>-</u> | <u>-</u> |
| Total cash receipts | <u>-</u> | <u>1,000,000</u> |
| Expenditures | | |
| Facility acquisition and construction | <u>124,251</u> | <u>320,645</u> |
| Total expenditures | <u>124,251</u> | <u>320,645</u> |
| Cash receipts over (under) expenditures | (124,251) | 679,355 |
| Unencumbered cash, beginning of year | <u>124,251</u> | <u>-</u> |
| Unencumbered cash, end of year | <u>\$ -</u> | <u>\$ 679,355</u> |

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 SCHOLARSHIP FUNDS*
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the year ended June 30, 2013
 (with comparative actual totals for the year ended June 30, 2012)

| | <u>Prior year actual</u> | <u>Current year actual</u> |
|-----------------------------------------|------------------------------|--------------------------------|
| Cash receipts | | |
| Interest | <u>\$ 374</u> | <u>\$ 279</u> |
| Total cash receipts | <u>374</u> | <u>279</u> |
| Expenditures | | |
| Scholarships | <u>1,500</u> | <u>2,625</u> |
| Total expenditures | <u>1,500</u> | <u>2,625</u> |
| Cash receipts over (under) expenditures | (1,126) | (2,346) |
| Unencumbered cash, beginning of year | <u>110,304</u> | <u>109,178</u> |
| Unencumbered cash, end of year | <u><u>\$ 109,178</u></u> | <u><u>\$ 106,832</u></u> |

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS

AGENCY FUNDS

Summary of Receipts and Disbursements

Regulatory Basis

For the year ended June 30, 2013

| | Beginning cash balance | Receipts | Disbursements | Ending cash balance |
|---------------------------------|---------------------------|----------|---------------|------------------------|
| Piper High School: | | | | |
| Artvarks club | \$ 37 | \$ - | \$ - | \$ 37 |
| Baseball club | 543 | 4,703 | 3,525 | 1,721 |
| Boys basketball | 3,343 | 23,020 | 22,576 | 3,787 |
| Cheerleaders | 644 | 13,832 | 11,268 | 3,208 |
| Diversity club | 1,207 | - | - | 1,207 |
| Business professionals | 188 | - | - | 188 |
| CADD | 241 | - | - | 241 |
| Dance squad | 1,842 | 14,265 | 14,726 | 1,381 |
| Track display | 63 | - | 63 | - |
| Track | 1,012 | 3,613 | 3,948 | 677 |
| Football | 11,986 | 16,900 | 21,477 | 7,409 |
| Robotics club | 4,237 | 19,499 | 13,784 | 9,952 |
| Ecology club | 43 | - | - | 43 |
| Swimming | 868 | 5,517 | 5,933 | 452 |
| Cross country | 40 | - | - | 40 |
| Tri-M Society | 1,000 | 2,895 | 2,758 | 1,137 |
| Drama club | 355 | 3,373 | 3,032 | 696 |
| Bowling | 39 | - | - | 39 |
| PHS emergency assistance | 3,216 | 60 | - | 3,276 |
| Student council | 4,120 | 6,446 | 5,574 | 4,992 |
| Boys soccer | - | 397 | - | 397 |
| Wrestling | 990 | 4,812 | 3,943 | 1,859 |
| Girls basketball | 1,167 | 4,638 | 4,465 | 1,340 |
| Volleyball | 880 | 2,726 | 2,025 | 1,581 |
| Girls soccer | 393 | 927 | 1,123 | 197 |
| Weightroom | 9,005 | 13,048 | 13,958 | 8,095 |
| Boys golf | 948 | - | 64 | 884 |
| Spanish club | 189 | - | - | 189 |
| KEY club | 1,613 | 4,974 | 5,606 | 981 |
| PGAA | 312 | 599 | 578 | 333 |
| FCCLA | 177 | 3,372 | 3,017 | 532 |
| Softball | 1,386 | 3,615 | 2,768 | 2,233 |
| Leadership | 146 | - | - | 146 |
| Girls golf | (16) | 295 | 320 | (41) |
| Sophomore class | 156 | - | - | 156 |
| Junior class | 222 | 9,230 | 9,335 | 117 |
| Senior class | 483 | 1,367 | 714 | 1,136 |
| Graduated classes | 1,551 | - | - | 1,551 |
| GAF | 3,262 | 42,003 | 41,625 | 3,640 |
| Auction | 17,900 | 32,649 | 27,108 | 23,441 |
| Senior citizenship award | 1,725 | 500 | 600 | 1,625 |
| Apple computer grant | 17 | - | - | 17 |
| Coke fund | 1,092 | 1,426 | 2,510 | 8 |
| Publications | 5,487 | 45,500 | 42,658 | 8,329 |
| Tyler Jobe memorial scholarship | 2,025 | 1,840 | 1,500 | 2,365 |
| Pirate performance | (916) | 9,545 | 6,243 | 2,386 |
| Melanie Daniels scholarship | 975 | 1,730 | 614 | 2,091 |
| Terrell Stewart scholarship | 3,709 | 3 | 1,017 | 2,695 |
| Subtotal Piper High School | 89,902 | 299,319 | 280,455 | 108,766 |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS

AGENCY FUNDS

Summary of Receipts and Disbursements

Regulatory Basis

For the year ended June 30, 2013

| | Beginning cash balance | Receipts | Disbursements | Ending cash balance |
|----------------------------------|---------------------------|-------------------|-------------------|------------------------|
| Piper Middle School: | | | | |
| Music | 90 | - | - | 90 |
| Drama | 466 | 1,051 | 261 | 1,256 |
| Piper honor organization | 323 | 918 | 576 | 665 |
| Student council | 5,429 | 1,599 | 3,823 | 3,205 |
| Yearbook | 2,533 | 4,614 | 5,019 | 2,128 |
| Student services | 8,029 | 743 | 1,054 | 7,718 |
| Grant funds | 2,237 | 250 | - | 2,487 |
| Student incentives | 5,890 | 4,902 | 5,225 | 5,567 |
| Subtotal Piper Middle School | <u>24,997</u> | <u>14,077</u> | <u>15,958</u> | <u>23,116</u> |
| Piper Elementary School: | | | | |
| General activity fund | 6,413 | 22,214 | 19,446 | 9,181 |
| Art | 483 | 1,227 | 300 | 1,410 |
| Yearbook | 8,273 | 16,342 | 13,345 | 11,270 |
| Subtotal Piper Elementary School | <u>15,169</u> | <u>39,783</u> | <u>33,091</u> | <u>21,861</u> |
| Total student activity funds | <u>\$ 130,068</u> | <u>\$ 353,179</u> | <u>\$ 329,504</u> | <u>\$ 153,743</u> |
| Faculty funds: | | | | |
| Piper High School | \$ - | \$ - | \$ - | \$ - |
| Piper Middle School | - | - | - | - |
| Piper Elementary School | 82 | - | - | 82 |
| Total faculty funds | <u>\$ 82</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 82</u> |
| SUMMARY: | | | | |
| Student activity funds | \$ 130,068 | \$ 353,179 | \$ 329,504 | \$ 153,743 |
| Faculty funds | 82 | - | - | 82 |
| Fees and user charges | 2,551 | 277,534 | 275,812 | 4,273 |
| Sales Tax | 4,510 | 23,447 | 22,453 | 5,504 |
| Flex spending | 12,326 | 45,640 | 38,098 | 19,868 |
| Payroll clearing | 2,352 | 31,595 | 31,451 | 2,496 |
| Total agency funds | <u>\$ 151,889</u> | <u>\$ 731,395</u> | <u>\$ 697,318</u> | <u>\$ 185,966</u> |

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
 DISTRICT ACTIVITY FUNDS
 Schedule of Receipts, Expenditures, and Unencumbered Cash
 Regulatory Basis
 For the year ended June 30, 2013

| | Beginning unencumbered cash balance | Receipts | Expenditures | Ending unencumbered cash balance | Add encumbrances and accounts payable | Ending cash balance |
|---------------------------|-------------------------------------------|-------------------|-------------------|----------------------------------------|------------------------------------------------|------------------------|
| Gate receipts: | | | | | | |
| High school athletics | \$ 7,240 | \$ 92,409 | \$ 84,174 | \$ 15,475 | \$ - | \$ 15,475 |
| Middle school athletics | 7,941 | 10,785 | 6,628 | 12,098 | - | 12,098 |
| Subtotal gate receipts | <u>15,181</u> | <u>103,194</u> | <u>90,802</u> | <u>27,573</u> | <u>-</u> | <u>27,573</u> |
| School projects: | | | | | | |
| Book fair | 7,503 | 4,194 | 6,683 | 5,014 | - | 5,014 |
| Library | 4,805 | 433 | 152 | 5,086 | - | 5,086 |
| Band | 131 | - | - | 131 | - | 131 |
| Vocal music | 2,484 | 5,287 | 6,167 | 1,604 | - | 1,604 |
| Language arts | 24 | - | - | 24 | - | 24 |
| Music N Motion | 2,038 | 1,670 | 2,983 | 725 | - | 725 |
| Belle Voce | - | 1,359 | 175 | 1,184 | - | 1,184 |
| Drafting | 21 | 720 | 583 | 158 | - | 158 |
| District | 56 | - | - | 56 | - | 56 |
| Calculator rental | 1,240 | 840 | 95 | 1,985 | - | 1,985 |
| Vending | 977 | 439 | 135 | 1,281 | - | 1,281 |
| Art | 22 | - | - | 22 | - | 22 |
| Subtotal school projects | <u>19,301</u> | <u>14,942</u> | <u>16,973</u> | <u>17,270</u> | <u>-</u> | <u>17,270</u> |
| Total district activities | <u>\$ 34,482</u> | <u>\$ 118,136</u> | <u>\$ 107,775</u> | <u>\$ 44,843</u> | <u>\$ -</u> | <u>\$ 44,843</u> |

OTHER SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 203, PIPER, KANSAS CITY, KANSAS
Schedule of Expenditures of Federal Awards
Regulatory Basis
For the year ended June 30, 2013

| Federal Grantor/ pass-through grantor/ program title | Federal CFDA number | Program or award amount | Beginning unencumbered cash balance | Receipts | Expenditures | Ending unencumbered cash balance | Add encumbrances and accounts payable | Ending cash balance |
|------------------------------------------------------------|---------------------------|-------------------------------|-------------------------------------------|-------------------|-------------------|----------------------------------------|------------------------------------------------|------------------------|
| <u>U.S. Department of Education</u> | | | | | | | | |
| Passed through Kansas Department of Education: | | | | | | | | |
| Title I grants to local education agencies | 84.010 | \$ 66,129 | \$ - | \$ 66,129 | \$ 66,129 | \$ - | \$ - | \$ - |
| Improving teacher quality state grants | 84.367 | 28,124 | - | 28,124 | 28,124 | - | - | - |
| Total U.S. Department of Education | | <u>94,253</u> | <u>-</u> | <u>94,253</u> | <u>94,253</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>U.S. Department of Agriculture</u> | | | | | | | | |
| Passed through Kansas Department of Education: | | | | | | | | |
| National school lunch program | 10.555 | 221,914 | - | 221,914 | 221,914 | - | - | - |
| Total U.S. Department of Agriculture | | <u>221,914</u> | <u>-</u> | <u>221,914</u> | <u>221,914</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total federal assistance | | <u>\$ 316,167</u> | <u>\$ -</u> | <u>\$ 316,167</u> | <u>\$ 316,167</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |