

***HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261***

REGULATORY BASIS
FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2013

AND

INDEPENDENT AUDITOR'S REPORT

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UNIFIED SCHOOL DISTRICT NO. 261

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REGULATORY BASIS
FINANCIAL STATEMENTS
Year Ended June 30, 2013

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INDEPENDENT AUDITOR'S REPORT

**The Board of Education
Haysville Public Schools
Unified School District No. 261**

Report on the Financial Statements

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Haysville Public Schools, USD 261 (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 I.B.2 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.

Auditor's 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, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's 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 in Note I.B.2 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 I.B.2, 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 I.B.2.

Other Matter

Report on 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 supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statement, however is 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 I.B.2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2013 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

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

September 16, 2013
Wichita, Kansas

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

Summary Statement of Receipts, Expenditures, and Unencumbered Cash

Regulatory Basis

For the Year Ended June 30, 2013

	Beginning Unencumbered Cash Balance 7/01/2012	Receipts	Expenditures	Ending Unencumbered Cash Balance 06/30/2013	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance 06/30/2013
GOVERNMENTAL TYPE FUNDS:						
GENERAL FUND	\$ -	\$ 30,974,195	\$ 30,974,195	\$ -	\$ 1,334,083	\$ 1,334,083
SPECIAL PURPOSE FUNDS						
Supplemental General	351,368	10,229,366	10,392,970	187,764	783,156	970,920
At Risk (4 Yr. Old)	396,633	489,526	448,230	437,929	-	437,929
At Risk (K-12)	1,370,646	4,630,022	4,628,161	1,372,507	5,111	1,377,618
Bilingual Education	179,518	250,000	185,986	243,532	-	243,532
Driver Education	380,783	55,854	50,797	385,840	750	386,590
Food Service	1,611,450	2,397,759	2,174,040	1,835,169	-	1,835,169
Professional Development	322,311	100,000	84,202	338,109	76	338,185
Parent Education	76,166	211,007	228,056	59,117	-	59,117
Special Education	3,057,726	9,060,694	8,974,239	3,144,181	116,504	3,260,685
Vocational Education	645,213	500,000	479,166	666,047	1,061	667,108
KPERS Special Retirement	-	2,931,335	2,931,335	-	-	-
Contingency Reserve	2,972,592	-	-	2,972,592	-	2,972,592
Education for Homeless	-	20,130	20,130	-	-	-
Hope Grant	(33,619)	207,579	192,222	(18,262)	-	(18,262)
Improvement Grants	-	31,854	31,854	-	-	-
Textbook/Student Material						
Revolving Fund	531,914	376,684	296,259	612,339	6,309	618,648
ECC State Grant	(32,588)	65,874	55,940	(22,654)	876	(21,778)
21st Century Community Learning	-	140,110	148,318	(8,208)	-	(8,208)
All Day Kindergarten	9,414	56,605	52,960	13,059	-	13,059
Title I Low Income	-	547,818	547,818	-	-	-
Title I School Improvement	35,679	-	35,679	-	-	-
Title II Teacher Quality	-	118,758	118,758	-	1,422	1,422
Title III Consortiurr	-	17,391	17,391	-	-	-
Total special purpose funds	<u>11,875,206</u>	<u>32,438,366</u>	<u>32,094,511</u>	<u>12,219,061</u>	<u>915,265</u>	<u>13,134,326</u>
CAPITAL PROJECT FUNDS						
Capital Outlay	3,298,957	1,506,986	1,573,785	3,232,158	191,743	3,423,901
QZAB Energy Efficiency	1,032,318	953	712,289	320,982	-	320,982
Total capital outlay funds	<u>4,331,275</u>	<u>1,507,939</u>	<u>2,286,074</u>	<u>3,553,140</u>	<u>191,743</u>	<u>3,744,883</u>
BOND AND INTEREST FUNDS						
Bond and Interest	2,895,129	21,696,944	21,434,300	3,157,773	-	3,157,773
Total debt service funds	<u>2,895,129</u>	<u>21,696,944</u>	<u>21,434,300</u>	<u>3,157,773</u>	<u>-</u>	<u>3,157,773</u>
Total reporting entity	<u>\$ 19,101,610</u>	<u>\$ 86,617,444</u>	<u>\$ 86,789,080</u>	<u>\$ 18,929,974</u>	<u>\$ 2,441,091</u>	<u>\$ 21,371,065</u>
Composition of Cash:						
Checking account - INTRUST Bank						\$ 2,283,325
Repurchase agreements - INTRUST Bank						18,940,000
Checking account - INTRUST Bank (Activity Funds)						258,046
U.S. agency investments - SECURITY Bank (QZAB Trust Funds)						<u>320,982</u>
Total cash						21,802,353
Less agency funds per Schedule 3						<u>(431,288)</u>
TOTAL REPORTING ENTITY (excluding agency funds)						<u>\$ 21,371,065</u>

The accompanying notes are an integral
part of this financial statement.

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NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

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**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Municipal Financial Reporting Entity

The Haysville Public Schools, Unified School District No. 261, (District) is organized under the laws of the State of Kansas (Kansas) and is governed by an elected seven-member board. This financial statement presents the District and its related municipal entities. There are no related municipal entities for which the District is considered to be financially accountable.

B. Fund Types and Basis of Accounting

1. Regulatory Basis Fund Types

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

The District has the following fund types:

Government Fund Types

General Fund - the District's chief operating fund. It accounts for all financial resources, except those required to be accounted for in another fund.

Special Purpose Funds – are used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund - is used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project Fund - is used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Agency Funds – funds used to report assets held by the District in a purely custodial capacity (payroll clearing fund, etc.).

2. Regulatory Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The Kansas Municipal Audit and Accounting Guide (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 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.

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NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

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 regulatory basis of accounting.

3. *In-Substance Receipt in Transit*

The District received \$3,438,486 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.

C. Deposits and Investments

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

The investment of proceeds of general long-term debt is governed by specific statutes that authorize the District to invest in the following:

- Investments authorized by K.S.A. 12-1675
- Direct obligations of the U.S. government or any other agency thereof
- Money market funds comprised entirely of obligations of the U.S. Treasury and agencies thereof
- Obligations of any municipality of Kansas
- Certain rated investment agreements with a financial institution

Cash resources of the individual funds are combined to form a pool of cash and temporary investments that are managed by the District Treasurer. Investments of the pooled accounts consist primarily of certificates of deposits and money market accounts. Interest income earned is allocated to the contributing fund unless specifically designated.

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

Kansas statutes allow school districts to operate from July 1 to August 15 without an adopted budget. Kansas statutes also dictate the level of the general fund budget based on a formula that used \$3,838 per full-time equivalent weighted student as of September 20. Because the number of students as of

**HAYSVILLE PUBLIC SCHOOLS
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NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

September 20 of the budget year is not known at the time of budget adoption, an estimated number is used. If the estimate is too high, the general fund budget is automatically reduced to the actual number without requiring any formal Board action. If the estimate is too low, the Board of Education may increase the general fund budget to the actual amount only after following the procedures for publication and public hearing as outlined above.

Kansas statutes allow for the governing body to increase the original adopted budget for previously unbudgeted increases in revenue other than ad valorem taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after the publication, the hearing may be held and the governing body may amend the budget at that time. During the year ended June 30, 2013, the budget of the General Fund was amended. Original budgeted expenditures for the General Fund were \$30,618,029 and amended to \$31,033,684.

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

All legal 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 municipality 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.

Encumbered appropriations are not reappropriated in the ensuing year's budget but are carried forward until liquidated or canceled.

A legal operating budget is not required for the agency funds, the QZAB Energy Efficiency capital project fund, and the following special purpose funds:

Contingency Reserve	All Day Kindergarten
Education for Homeless	Title I - Low Income
Hope Grant	Title I - School Improvement
Improvement Grants	Title II - Teacher Quality
Textbook/Student Material Revolving	Title III - Consortium
ECC State Grant	
21 st Century Community Learning	

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.

B. Deficit Cash

As of June 30, 2013, the ECC state grant, Hope grant and 21st Century Community Learning funds had negative unencumbered cash balances of \$22,654, \$18,262 and \$8,208, respectively. The deficits are due to timing differences between the expenditure of state grant funds and the receipt of reimbursement in the 2012 – 2013 school year.

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

III. DETAILED NOTES ON THE FUNDS AND ACCOUNTS

A. Deposits and Investments

At year-end, the District's carrying amount of deposits was \$2,541,371 and the bank balance was \$627,740. The District also had \$18,940,000 invested in repurchase agreements and \$320,982 in U.S. agency securities.

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.

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, except during "peak periods" when required coverage is 50%. As of June 30, 2013, the District's deposits are fully insured or collateralized with securities held by the District or by its agent in the District's name. The District has no formal deposit or investment policy.

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. As of June 30, 2013 the District has no investments subject to Custodial Credit Risk.

Credit Risk. As of June 30, 2013, the securities underlying the District's repurchase agreements included FHLB securities, all of which were rated AA+ by Standard and Poor's. The District has no formal policy on credit risk.

Interest Rate Risk. Interest rate risk is the risk that changes in exchange rates will adversely affect the fair value of an investment.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The District's allocation of investments as of June 30, 2013, is as follows:

<u>Investments</u>	<u>Percentage Of Investments</u>
U.S. government agencies	2%
Repurchase Agreement	98%

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NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

As of June 30, 2013, the District had the following securities:

Investment Type	Fair Value	Investment Maturities (In Years)	
		Less than 1	1 - 5
Repurchase agreement	\$ 18,940,000	\$ 18,940,000	\$ --
U.S. government agencies	320,982	320,982	--
Total	\$ 19,260,982	\$ 19,260,982	\$ --

B. Interfund Transfers

A summary of interfund operating transfers by fund type for the year ended June 30, 2013 is as follows:

	Transfer From:		
	General	Supplemental	Totals
Transfer To:			
At Risk (4 yr olds)	\$ 200,000	\$ 289,526	\$ 489,526
At Risk (K-12)	1,000,000	3,600,000	4,600,000
Bilingual	--	250,000	250,000
Capital Outlay	583,000	--	583,000
Professional Development	--	100,000	100,000
Vocational Education	--	500,000	500,000
Parent Education	--	85,000	85,000
Special Education	4,825,573	2,656,355	7,481,928
	\$ 6,608,573	\$ 7,480,881	\$ 14,089,454

The \$4,600,000 transferred from the general and supplemental general fund to at risk (K-12) was budgeted to fund the increasing growth of the program. The \$7,481,928 transferred from the general and supplemental general fund to special education was a budgeted transfer to fund the program.

C. Long-Term Liabilities

The capital leases are for leases on copier equipment in use throughout the district. The real estate certificate of participation was entered into for the purpose of purchasing a parcel of land in the Grand Cane addition to Haysville, KS.

On October 1, 2012 the District issued \$7,265,000 in General Obligation Refunding Bonds, Series 2012-2, with an average interest rate of 2.10% to advance refund \$6,315,000 of outstanding General Obligation School Building Bonds, Series 2005, with an average interest rate of 4.375%. The net proceeds of \$7,080,030 (after payment of underwriter fees and issuance costs) were deposited into an escrow account to be applied to the payment of principal and interest on the refunded issue only. The District will realize debt service savings of \$1,011,912 with an economic gain of \$826,087.

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NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

On February 1, 2013 the District issued \$9,920,000 in General Obligation Refunding Bonds, Series 2013, with an average interest rate of 2.04% to advance refund \$8,670,000 of outstanding General Obligation School Building Bonds, Series 2005, with an average interest rate of 4.375%. The net proceeds of \$9,735,899 (after payment of underwriter fees and issuance costs) were deposited into an escrow account to be applied to the payment of principal and interest on the refunded issue only. The District will realize debt service savings of \$1,190,616 with an economic gain of \$1,020,265.

The 2011 and 2012 Lease Purchase Certificate of Participations were established through the Qualified Zone Academy Bond Program which allows school districts to obtain interest free resources for specified purposes. In 2013, the U.S. Treasury decreased the interest subsidy from 100% to 91.3%.

Changes in long-term liabilities for the entity 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:									
Refunding Series 2004	2.0 - 3.75%	04/01/04	\$ 6,880,000	11/01/18	\$ 4,655,000	\$ -	\$ 600,000	\$ 4,055,000	\$ 149,448
Refunding Series 2005	3.0 - 3.75%	05/01/05	8,060,000	11/01/19	6,675,000	-	730,000	5,945,000	219,800
School Improvement Series 2005	4.375 - 5.75%	10/15/05	20,000,000	11/01/30	18,160,000	-	14,985,000	3,175,000	2,666,702
School Improvement Series 2007	4.00 - 5.00%	02/01/07	29,585,000	02/01/32	28,090,000	-	505,000	27,585,000	1,355,750
Refunding Series 2012	2.00%	02/15/12	2,220,000	11/01/20	2,220,000	-	50,000	2,170,000	43,900
Refunding Series 2012-2	2.0-2.50%	10/01/12	7,265,000	11/01/30	-	7,265,000	-	7,265,000	98,260
Refunding Series 2013	2.0-2.30%	02/01/13	9,920,000	11/01/27	-	9,920,000	-	9,920,000	52,380
					<u>59,800,000</u>	<u>17,185,000</u>	<u>16,870,000</u>	<u>60,115,000</u>	<u>4,586,240</u>
Certificates of Participation:									
Certificate of Participation Series 2003	variable	12/01/03	970,000	12/01/18	532,000	-	66,000	466,000	23,940
Certificate of Participation Series 2011	N/A	11/28/11	1,600,000	11/15/28	1,600,000	-	-	1,600,000	3,425
Certificate of Participation Series 2012	N/A	03/01/12	1,899,000	03/01/22	1,899,000	-	204,000	1,695,000	22,510
					<u>4,031,000</u>	<u>-</u>	<u>270,000</u>	<u>3,761,000</u>	<u>49,875</u>
Capital Leases:									
Ricoh Copier Lease #1	variable	06/22/11	84,970	07/31/17	70,808	-	16,944	53,864	1,954
Ricoh Copier Lease #2	variable	09/14/11	295,943	07/31/17	246,636	-	59,190	187,446	12,330
Ricoh Copier Lease #3	variable	12/08/11	218,325	9/31/17	189,215	-	43,665	145,550	1,935
Ricoh Copier Lease #4	variable	03/05/12	16,919	07/31/17	16,258	-	3,902	12,356	682
					<u>522,917</u>	<u>-</u>	<u>123,701</u>	<u>399,216</u>	<u>16,901</u>
Total long-term liabilities					<u>\$ 64,353,917</u>	<u>\$ 17,185,000</u>	<u>\$ 17,263,701</u>	<u>\$ 64,275,216</u>	<u>\$ 4,653,016</u>

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

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

	2014	2015	2016	2017	2018	2019-2023	2024-2028	2029-2033	2034-2038	Total
PRINCIPAL:										
General Obligation Bonds:										
Refunding Series 2004	\$ 615,000	\$ 640,000	\$ 660,000	\$ 685,000	\$ 715,000	\$ 740,000	\$ -	\$ -	\$ -	\$ 4,055,000
Refunding Series 2005	760,000	785,000	815,000	845,000	880,000	1,860,000	-	-	-	5,945,000
School Improvement Series 2005	-	-	-	-	-	3,025,000	150,000	-	-	3,175,000
School Improvement Series 2007	520,000	535,000	550,000	575,000	580,000	4,890,000	6,725,000	13,210,000	-	27,585,000
Refunding Series 2012	50,000	50,000	50,000	45,000	50,000	1,925,000	-	-	-	2,170,000
Refunding Series 2012-2	35,000	50,000	55,000	55,000	55,000	270,000	330,000	6,415,000	-	7,265,000
Refunding Series 2013	150,000	100,000	100,000	100,000	100,000	510,000	8,860,000	-	-	9,920,000
Total General Obligation Bonds	2,130,000	2,160,000	2,230,000	2,305,000	2,380,000	13,220,000	16,065,000	19,625,000	-	60,115,000
Certificate of Participation Series 2003	69,000	72,000	75,000	80,000	83,000	87,000	-	-	-	466,000
Certificate of Participation Series 2011	-	-	-	-	-	370,000	1,025,000	205,000	-	1,600,000
Certificate of Participation Series 2012	205,000	205,000	205,000	205,000	205,000	670,000	-	-	-	1,695,000
Total Certificates of Participation	274,000	277,000	280,000	285,000	288,000	1,127,000	1,025,000	205,000	-	3,761,000
Capital Leases:										
Ricoh Copier Lease #1	16,994	16,994	16,994	2,832	-	-	-	-	-	53,864
Ricoh Copier Lease #2	59,190	59,189	59,189	9,878	-	-	-	-	-	187,446
Ricoh Copier Lease #3	43,665	43,665	43,665	14,555	-	-	-	-	-	145,550
Ricoh Copier Lease #4	3,902	3,902	3,902	650	-	-	-	-	-	12,356
Total Capital Leases	123,751	123,750	123,750	27,915	-	-	-	-	-	399,216
Total principal	\$ 2,527,751	\$ 2,560,750	\$ 2,633,750	\$ 2,617,915	\$ 2,668,000	\$ 14,347,000	\$ 17,090,000	\$ 19,830,000	\$ -	\$ 64,275,216
INTEREST:										
General Obligation Bonds:										
Refunding Series 2004	\$ 130,915	\$ 110,823	\$ 89,042	\$ 65,835	\$ 40,799	\$ 13,875	\$ -	\$ -	\$ -	\$ 451,289
Refunding Series 2005	196,325	171,213	144,405	115,763	85,136	70,272	-	-	-	783,114
School Improvement Series 2005	138,906	138,906	138,906	138,906	138,906	563,609	3,281	-	-	1,261,420
Series 2007	1,335,250	1,314,150	1,292,450	1,269,950	1,246,850	5,653,500	4,174,375	2,047,750	-	18,334,275
Refunding Series 2012	42,900	41,900	40,900	39,950	39,950	124,250	-	-	-	329,850
Refunding Series 2012-2	168,095	167,245	166,195	165,095	163,995	804,325	773,925	236,048	-	2,644,923
Refunding Series 2013	208,020	205,520	203,520	201,520	199,520	967,100	499,460	-	-	2,484,660
Total General Obligation Bonds	2,220,411	2,149,757	2,075,418	1,997,019	1,915,156	8,196,931	5,451,041	2,283,798	-	26,289,531
Certificate of Participation Series 2003	20,970	17,865	14,625	11,250	11,565	-	-	-	-	76,275
Certificate of Participation Series 2011	79,360	79,360	79,360	79,360	79,360	379,440	177,940	5,084	-	959,264
Certificate of Participation Series 2012	32,459	28,533	24,608	20,682	16,756	27,767	-	-	-	150,805
Total Certificates of Participations	132,789	125,758	118,593	111,292	107,681	407,207	177,940	5,084	-	1,186,344
Capital Leases:										
Ricoh Copier Lease #1	1,954	1,954	1,954	326	-	-	-	-	-	6,188
Ricoh Copier Lease #2	12,330	12,330	12,330	2,038	-	-	-	-	-	39,028
Ricoh Copier Lease #3	1,935	1,935	1,935	645	-	-	-	-	-	6,450
Ricoh Copier Lease #4	682	682	682	114	-	-	-	-	-	2,160
Total Capital Leases	16,901	16,901	16,901	3,123	-	-	-	-	-	53,826
Total interest	2,370,101	2,292,416	2,210,912	2,111,434	2,022,837	8,604,138	5,628,981	2,288,882	-	27,529,701
Total principal and interest	\$ 4,897,852	\$ 4,853,166	\$ 4,844,662	\$ 4,729,349	\$ 4,690,837	\$ 22,951,138	\$ 22,718,981	\$ 22,118,882	\$ -	\$ 91,804,867

D. Other Long-Term Obligations from Operations

1. Compensated Absences

Temporary leave consists of sick and vacation leave. The District annually grants full-time employees 12 days of sick leave and 10 days of vacation leave. Upon termination, employees are compensated for unused sick leave at one-third their normal salary up to 100 days and unused vacation leave at full salary up to 20 days. The liability of accrued temporary leave has been recorded in long-term debt and represents the District's commitment to fund such costs from future operations.

At June 30, 2013 the District had a liability of \$1,668,928 for compensated absences.

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

2. Other Post Employment Benefits

Health insurance: All District retired employees are eligible to remain on the District's health insurance program until the age of 65. The retired employees are responsible for all premiums. If a retired employee reaches the age of 65 before the spouse, the spouse is allowed to remain on the District's program until the spouse reaches age 65. While each retiree pays the full amount of the applicable premium, conceptually, the local government 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 this financial statement.

Early retirement incentive: Employees are eligible when they reach 85 points (combination of their age and years of KPERS service) or age 62 with 10 years of KPERS service. Under this program, employees receive a one time lump sum payment into a tax sheltered account that is equal to approximately one-third of the employee's salary in the year of retirement. The payment is made in July following their last year of employment. Additional smaller amounts are received for years of service to the District that exceed 10 years. If an employee does not take advantage of the program when they meet the criteria, the available amount decreases to zero over a four-year period.

IV. OTHER INFORMATION

A. Defined Benefit Pension Plan

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.

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

The State of Kansas is required to contribute the statutory required employers' share. Kansas currently contributes 9.37% of covered payroll. Kansas' contributions to KPERS for District employees for the years ended June 30, 2013, 2012, 2011, were \$2,931,335, \$3,418,929, and \$1,998,554 respectively, equal to the required contributions for each year as set forth by the legislature.

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

NOTES TO REGULATORY BASIS FINANCIAL STATEMENT

B. Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, error and omissions, injuries to employees, and natural disasters. The District carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not materially exceeded commercial insurance coverage in any of the past three years.

C. Capital Projects

On November 28, 2011 and March 1, 2012, the electors of the District approved the issuance of qualified zone academy bonds not to exceed \$3,500,000 (Series 2011 \$1,600,000 and Series 2012 \$1,899,000) to pay costs for energy efficiency upgrades to the District's buildings. They have contracted with Johnson Controls to perform these upgrades. Authorized cost for this project is \$3,500,000 and the District has paid \$3,109,488 in project costs through June 30, 2013.

REGULATORY-
SUPPLEMENTARY INFORMATION

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2013

SCHEDULE 1

	Certified Budget	Expenditures Chargeable to Current Year	Over (Under)
General fund	\$ 31,033,684	\$ 30,974,195	\$ (59,489)
Special purpose funds:			
Supplemental General	10,392,970	10,392,970	-
At Risk (4 Yr. Old)	465,650	448,230	(17,420)
At Risk (K-12)	4,948,800	4,628,161	(320,639)
Bilingual Education	254,000	185,986	(68,014)
Driver Education	120,600	50,797	(69,803)
Food Service	2,495,000	2,174,040	(320,960)
Professional Development	163,000	84,202	(78,798)
Parent Education	244,256	228,056	(16,200)
Special Education	9,614,000	8,974,239	(639,761)
Vocational Education	580,000	479,166	(100,834)
KPERs Special Retirement	3,260,867	2,931,335	(329,532)
Capital project funds:			
Capital Outlay	3,000,000	1,573,785	(1,426,215)
Debt service funds:			
Bond and Interest	4,448,499	4,249,300	(199,199)

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

SCHEDULE 2-1

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2013

General Fund

	Actual	Budget	Over (Under)
Receipts:			
Taxes	\$ 2,280,649	\$ 2,160,504	\$ 120,145
Intergovernmental - state	28,693,546	28,873,180	(179,634)
Total receipts	\$ 30,974,195	\$ 31,033,684	\$ (59,489)
Expenditures:			
Current			
Instruction	\$ 12,693,743	\$ 13,508,386	\$ (814,643)
Support services	2,958,727	3,438,000	(479,273)
General administration	454,936	506,000	(51,064)
School administration	2,156,042	2,514,000	(357,958)
Operations and maintenance	3,487,235	3,015,000	472,235
Student transportation services	1,566,885	1,279,000	287,885
Other supplemental services	1,048,054	920,000	128,054
Total current	24,365,622	25,180,386	(814,764)
Transfers out	6,608,573	5,853,298	755,275
Total expenditures	\$ 30,974,195	\$ 31,033,684	\$ (59,489)
Receipts over expenditures	-		
Unencumbered cash, beginning	-		
Unencumbered cash, ending	\$ -		

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2013

Special Purpose Fund - Supplemental General

SCHEDULE 2-2

	Actual	Budget	Over (Under)
Receipts:			
Taxes	\$ 3,991,929	\$ 3,744,295	\$ 247,634
Intergovernmental - state	6,218,592	6,297,308	(78,716)
Other	18,845	-	18,845
Total receipts	\$ 10,229,366	\$ 10,041,603	\$ 187,763
Expenditures:			
Current			
Instruction	\$ 758,476	\$ 965,400	\$ (206,924)
Support services	380,630	439,000	(58,370)
General administration	129,666	440,000	(310,334)
Operations and maintenance	1,193,044	1,171,500	21,544
Other supplemental services	450,273	677,000	(226,727)
Total current	2,912,089	3,692,900	(780,811)
Transfers out	7,480,881	6,700,070	780,811
Total expenditures	\$ 10,392,970	\$ 10,392,970	\$ -
Receipts under expenditures	(163,604)		
Unencumbered cash, beginning	351,368		
Unencumbered cash, ending	\$ 187,764		

Special Purpose Fund - At Risk (4 Year Old)

SCHEDULE 2-3

	Actual	Budget	Over (Under)
Receipts:			
Transfers in	\$ 489,526	\$ 400,000	\$ 89,526
Total receipts	\$ 489,526	\$ 400,000	\$ 89,526
Expenditures:			
Current			
Instruction	\$ 413,216	\$ 427,000	\$ (13,784)
Support services	548	500	48
School administration	34,466	37,150	(2,684)
Operations and maintenance	-	1,000	(1,000)
Total expenditures	\$ 448,230	\$ 465,650	\$ (17,420)
Receipts over expenditures	41,296		
Unencumbered cash, beginning	396,633		
Unencumbered cash, ending	\$ 437,929		

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2013

	<u>Special Purpose Fund - At Risk (K-12)</u>		SCHEDULE 2-4
	Actual	Budget	Over (Under)
Receipts:			
Transfers in	\$ 4,600,000	\$ 4,000,000	\$ 600,000
Charges for services	30,022	30,000	22
Total receipts	<u>\$ 4,630,022</u>	<u>\$ 4,030,000</u>	<u>\$ 600,022</u>
Expenditures:			
Current			
Instruction	\$ 4,185,376	\$ 4,405,000	\$ (219,624)
Support services	156,411	266,000	(109,589)
School administration	148,520	153,000	(4,480)
Operations and maintenance	128,293	108,500	19,793
Transportation	9,561	16,300	(6,739)
Total expenditures	<u>\$ 4,628,161</u>	<u>\$ 4,948,800</u>	<u>\$ (320,639)</u>
Receipts over expenditures	1,861		
Unencumbered cash, beginning	<u>1,370,646</u>		
Unencumbered cash, ending	<u>\$ 1,372,507</u>		

	<u>Special Purpose Fund - Bilingual Education</u>		SCHEDULE 2-5
	Actual	Budget	Over (Under)
Receipts:			
Transfers in	\$ 250,000	\$ 200,000	\$ 50,000
Total receipts	<u>\$ 250,000</u>	<u>\$ 200,000</u>	<u>\$ 50,000</u>
Expenditures:			
Current			
Instruction	\$ 185,986	\$ 254,000	\$ (68,014)
Total expenditures	<u>\$ 185,986</u>	<u>\$ 254,000</u>	<u>\$ (68,014)</u>
Receipts over expenditures	64,014		
Unencumbered cash, beginning	<u>179,518</u>		
Unencumbered cash, ending	<u>\$ 243,532</u>		

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2013

Special Purpose Fund - Driver Education

SCHEDULE 2-6

	Actual	Budget	Over (Under)
Receipts:			
Intergovernmental - state	\$ 13,392	\$ 22,500	\$ (9,108)
Charges for services	42,462	35,000	7,462
Total receipts	\$ 55,854	\$ 57,500	\$ (1,646)
Expenditures:			
Current			
Instruction	\$ 45,167	\$ 83,600	\$ (38,433)
Operations and maintenance	5,630	37,000	(31,370)
Total expenditures	\$ 50,797	\$ 120,600	\$ (69,803)
Receipts over expenditures	5,057		
Unencumbered cash, beginning	380,783		
Unencumbered cash, ending	\$ 385,840		

Special Purpose Fund - Food Service

SCHEDULE 2-7

	Actual	Budget	Over (Under)
Receipts:			
Intergovernmental - state	\$ 25,878	\$ 25,400	\$ 478
Intergovernmental - federal	1,443,468	1,319,259	124,209
Charges for services	928,413	693,566	234,847
Total receipts	\$ 2,397,759	\$ 2,038,225	\$ 359,534
Expenditures:			
Current			
Operations and maintenance	\$ 2,174,040	\$ 2,495,000	\$ (320,960)
Total expenditures	\$ 2,174,040	\$ 2,495,000	\$ (320,960)
Receipts over expenditures	223,719		
Unencumbered cash, beginning	1,611,450		
Unencumbered cash, ending	\$ 1,835,169		

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2013

Special Purpose Fund - Professional Development

SCHEDULE 2-8

	Actual	Budget	Over (Under)
Receipts:			
Intergovernmental - state	\$ -	\$ -	\$ -
Transfers in	100,000	50,000	50,000
Total receipts	\$ 100,000	\$ 50,000	\$ 50,000
Expenditures:			
Current			
Support services	\$ 84,202	\$ 163,000	\$ (78,798)
Total expenditures	\$ 84,202	\$ 163,000	\$ (78,798)
Receipts over expenditures	15,798		
Unencumbered cash, beginning	322,311		
Unencumbered cash, ending	\$ 338,109		

Special Purpose Fund - Parent Education

SCHEDULE 2-9

	Actual	Budget	Over (Under)
Receipts:			
Intergovernmental - state	\$ 126,007	\$ 126,007	\$ -
Transfers in	85,000	85,000	-
Total receipts	\$ 211,007	\$ 211,007	\$ -
Expenditures:			
Current			
Support services	\$ 228,056	\$ 244,256	\$ (16,200)
Total expenditures	\$ 228,056	\$ 244,256	\$ (16,200)
Receipts under expenditures	(17,049)		
Unencumbered cash, beginning	76,166		
Unencumbered cash, ending	\$ 59,117		

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2013

Special Purpose Fund - Special Education

SCHEDULE 2-10

	Actual	Budget	Over (Under)
Receipts:			
Intergovernmental - federal	\$ 1,291,115	\$ 1,200,000	\$ 91,115
Other	287,651	250,000	37,651
Transfers in	7,481,928	7,218,368	263,560
Total receipts	\$ 9,060,694	\$ 8,668,368	\$ 392,326
Expenditures:			
Current			
Instruction	\$ 5,725,731	\$ 6,256,000	\$ (530,269)
Support services	2,310,937	2,293,000	17,937
General administration	262,092	305,000	(42,908)
Transportation	644,564	726,000	(81,436)
Operations and maintenance	14,337	12,500	1,837
Other supplemental services	16,578	21,500	(4,922)
Total expenditures	\$ 8,974,239	\$ 9,614,000	\$ (639,761)
Receipts over expenditures	86,455		
Unencumbered cash, beginning	3,057,726		
Unencumbered cash, ending	\$ 3,144,181		

Special Purpose Fund - Vocational Education

SCHEDULE 2-11

	Actual	Budget	Over (Under)
Receipts:			
Transfers in	\$ 500,000	\$ 500,000	\$ -
Total receipts	\$ 500,000	\$ 500,000	\$ -
Expenditures:			
Current			
Instruction	\$ 479,166	\$ 580,000	\$ (100,834)
Total expenditures	\$ 479,166	\$ 580,000	\$ (100,834)
Receipts over expenditures	20,834		
Unencumbered cash, beginning	645,213		
Unencumbered cash, ending	\$ 666,047		

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2013

<u>Special Purpose Fund - KPERS Special Retirement Contribution</u>		SCHEDULE 2-12	
	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:			
Intergovernmental - state	\$ 2,931,335	\$ 3,260,867	\$ (329,532)
Total receipts	<u>\$ 2,931,335</u>	<u>\$ 3,260,867</u>	<u>\$ (329,532)</u>
Expenditures:			
Current			
Instruction	\$ 1,882,210	\$ 2,100,000	\$ (217,790)
Support services	383,126	425,000	(41,874)
General administration	41,332	40,000	1,332
School administration	206,952	250,000	(43,048)
Other supplemental services	55,109	65,000	(9,891)
Operations & maintenance	202,555	220,000	(17,445)
Student transportation services	93,803	95,000	(1,197)
Food service	66,248	65,867	381
Total expenditures	<u>\$ 2,931,335</u>	<u>\$ 3,260,867</u>	<u>\$ (329,532)</u>
Receipts over expenditures	-		
Unencumbered cash, beginning	<u>-</u>		
Unencumbered cash, ending	<u>\$ -</u>		

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2013

SCHEDULE 2-13
1 of 2

Non-Budgeted Special Purpose Funds

	<u>Contingency Reserve</u>	<u>Education For Homeless</u>	<u>Hope Grant</u>	<u>Improvement Grants</u>	<u>Textbook/ Student Material Revolving</u>	<u>ECC State Grant</u>	<u>21st Century Community Learning</u>
Receipts:							
Intergovernmental - federal	\$ -	\$ 20,130	\$ 209,800	\$ 31,854	\$ -	\$ -	\$ 131,123
Intergovernmental - state	-	-	-	-	-	65,874	-
Charges for services	-	-	-	-	376,684	-	-
Other	-	-	(2,221)	-	-	-	8,987
Total receipts	<u>-</u>	<u>20,130</u>	<u>207,579</u>	<u>31,854</u>	<u>376,684</u>	<u>65,874</u>	<u>140,110</u>
Expenditures:							
Current							
Instruction	-	10,015	-	31,854	114,042	55,940	-
Support services	-	-	181,673	-	182,217	-	-
General administration	-	-	-	-	-	-	141,830
Transportation	-	10,115	10,549	-	-	-	5,741
Other supplemental services	-	-	-	-	-	-	747
Total expenditures	<u>-</u>	<u>20,130</u>	<u>192,222</u>	<u>31,854</u>	<u>296,259</u>	<u>55,940</u>	<u>148,318</u>
Receipts over (under) expenditures	-	-	15,357	-	80,425	9,934	(8,208)
Unencumbered cash, beginning	<u>2,972,592</u>	<u>-</u>	<u>(33,619)</u>	<u>-</u>	<u>531,914</u>	<u>(32,588)</u>	<u>-</u>
Unencumbered cash, ending	<u><u>\$ 2,972,592</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (18,262)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 612,339</u></u>	<u><u>\$ (22,654)</u></u>	<u><u>\$ (8,208)</u></u>

(Continued)

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2013

SCHEDULE 2-13
2 of 2

Non-Budgeted Special Purpose Funds
(Continued)

	All Day Kindergarten	Title I Low Income	Title I School Improvement	Title II Teacher Quality	Title III Consortium	Total
Receipts:						
Intergovernmental - federal	\$ -	\$ 547,818	\$ -	\$ 118,758	\$ 17,391	\$ 1,076,874
Intergovernmental - state	-	-	-	-	-	65,874
Charges for services	56,605	-	-	-	-	433,289
Other	-	-	-	-	-	6,766
Total receipts	56,605	547,818	-	118,758	17,391	1,582,803
Expenditures:						
Current						
Instruction	52,960	500,732	35,679	1,421	17,391	820,034
Support services	-	47,086	-	117,337	-	528,313
General administration	-	-	-	-	-	141,830
Transportation	-	-	-	-	-	26,405
Other supplemental services	-	-	-	-	-	747
Total expenditures	52,960	547,818	35,679	118,758	17,391	1,517,329
Receipts over (under) expenditures	3,645	-	(35,679)	-	-	65,474
Unencumbered cash, beginning	9,414	-	35,679	-	-	3,483,392
Unencumbered cash, ending	<u>\$ 13,059</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,548,866</u>

Note: The above funds are not subject to Kansas budget law.

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

SCHEDULE 2-14

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2013

Bond and Interest Fund

	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Receipts:			
Taxes	\$ 1,867,149	\$ 1,767,760	\$ 99,389
Intergovernmental - state	2,644,795	2,669,039	(24,244)
Bond proceeds	<u>17,185,000</u>	<u>-</u>	<u>17,185,000</u>
Total receipts	<u>\$ 21,696,944</u>	<u>\$ 4,436,799</u>	<u>\$ 17,260,145</u>
Expenditures:			
Debt service:			
Principal	\$ 1,885,000	\$ 1,885,000	\$ -
Principal - refunded bonds	14,985,000	-	14,985,000 **
Interest	2,386,240	2,563,399	(177,159)
Interest - refunded bonds	2,200,000	-	2,200,000 **
Other	<u>(21,940)</u>	<u>100</u>	<u>(22,040)</u>
Total expenditures	<u>\$ 21,434,300</u>	<u>\$ 4,448,499</u>	<u>\$ 16,985,801</u>
Receipts over expenditures	262,644		
Unencumbered cash, beginning	<u>2,895,129</u>		
Unencumbered cash, ending	<u>\$ 3,157,773</u>		

** Not subject to the legal annual operating budget.

**HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261**

SCHEDULE 2-15

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2013

Capital Project Fund - Capital Outlay

	Actual	Budget	Over (Under)
Receipts:			
Taxes	\$ 750,801	\$ 710,428	\$ 40,373
Uses of money and property	173,185	10,000	163,185
Other	-	50,000	(50,000)
Transfers in	583,000	-	583,000
Total receipts	\$ 1,506,986	\$ 770,428	\$ 736,558
Expenditures:			
Capital Outlay	\$ 1,196,556	\$ 2,670,000	\$ (1,473,444)
Debt service:			
Principal	270,000	300,000	(30,000)
Interest	49,875	30,000	19,875
Other	57,354	-	57,354
Total expenditures	\$ 1,573,785	\$ 3,000,000	\$ (1,426,215)
Receipts under expenditures	(66,799)		
Unencumbered cash, beginning	3,298,957		
Unencumbered cash, ending	\$ 3,232,158		

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2013

SCHEDULE 2-16

Capital Project Fund - QZAB Energy Efficiency

	<u>Actual</u>
Receipts:	
Other	<u>\$ 953</u>
Expenditures:	
Capital Outlay	<u>\$ 712,289</u>
Receipts under expenditures	(711,336)
Unencumbered cash, beginning	<u>1,032,318</u>
Unencumbered cash, ending	<u>\$ 320,982</u>

Note: The above fund is not subject to Kansas budget law.

HAYSVILLE PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 261
Schedule of Receipts and Cash Disbursements
Regulatory Basis
For the Year Ended June 30, 2013

SCHEDULE 3

Agency Funds

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
Payroll clearing fund	\$ 162,926	\$ 308,790	\$ 298,474	\$ 173,242
Student activity funds	250,899	739,348	732,201	258,046
Total agency funds	<u>\$ 413,825</u>	<u>\$ 1,048,138</u>	<u>\$ 1,030,675</u>	<u>\$ 431,288</u>

Note: The above fund is not subject to Kansas budget law