

Wichita Public Schools



2013-2014

Comprehensive Annual Financial Report

Unified School District 259

For the year ending
June 30, 2014
Wichita, Kansas



Comprehensive Annual Financial Report

of the

Wichita Public Schools

Unified School District 259

Wichita, Sedgwick County, Kansas

For the Year Ended June 30, 2014

Prepared by:

Financial Services Department

WICHITA PUBLIC SCHOOLS MISSION STATEMENT

The work of Wichita Public Schools is to empower all students with the 21st century skills and knowledge necessary for success by providing a coherent, rigorous, safe and nurturing, culturally responsive, and inclusive learning community.



Table of Contents

INTRODUCTORY SECTION

	Page
Letter of Transmittal.....	1
Organizational Chart.....	8
Board of Education	9
Shared Beliefs/Objectives.....	10
Government Finance Officers Association Certificate of Achievement.....	11
Association of School Business Officials Certificate of Excellence.....	12

FINANCIAL SECTION

Independent Auditors' Report	13
Management's Discussion and Analysis.....	15
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position.....	27
Statement of Activities.....	28
Fund Financial Statements:	
Balance Sheet – Governmental Funds	29
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	30
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	31
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	32
Statement of Net Position – Proprietary Funds.....	33
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	34
Statement of Cash Flows – Proprietary Funds	35
Statement of Fiduciary Net Position – Fiduciary Funds	36
Statement of Changes in Fiduciary Net Position – Fiduciary Funds.....	37
Notes to the Financial Statements.....	38
Required Supplementary Information:	
Other Postemployment Benefits Other Than Pensions	59
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
General Fund	61
Special Education Fund.....	62
State Intervention Fund (K-12)	63
Supplementary Information:	
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet – General Fund	65
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – General Fund.....	66
Combining Balance Sheet – Nonmajor Governmental Funds.....	67
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	70

Table of Contents

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Supplemental General Fund.....	73
Virtual Education Program.....	74
Professional Development Fund.....	75
Adult Education – Regular Fund.....	76
Four Year Old State Intervention Fund	77
Bilingual Education Fund.....	78
Latchkey Fund.....	79
Nutrition Services Fund	80
Parents As Teachers Fund	81
Summer School Fund.....	82
Vocational Education Fund.....	83
Special Liability Expense Fund.....	84
Special Assessment Fund.....	85
KPERs Retirement Contributions	86
Capital Outlay Fund.....	87
Bond and Interest Fund	88
Combining Schedule of Net Position – Internal Service Funds.....	89
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position - Internal Service Funds	90
Combining Schedule of Cash Flows - Internal Service Funds	91
Combining Schedule of Fiduciary Net Position – Fiduciary Funds – Employee Benefit Trust Funds	93
Combining Schedule of Changes in Fiduciary Net Position – Fiduciary Funds – Employee Benefit Trust Funds.....	94
Combining Schedule of Fiduciary Assets and Liabilities – Fiduciary Funds – Agency Funds	95
Combining Schedule of Changes in Assets and Liabilities – Fiduciary Funds – Agency Funds.....	96

STATISTICAL SECTION

Financial Trends

Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds.....	98
Fund Balances, Governmental Funds	100
Schedule of Changes in Net Position	101
Net Position by Component.....	102
State Revenue by Source, Governmental Funds	103

Revenue Capacity

Assessed and Estimated Actual Value of Taxable Property	104
Property Tax Rates - Direct and Overlapping Governments.....	105
Principal Property Taxpayers	106
Property Tax Levies and Collections	107

Debt Capacity

Computation of Direct and Overlapping Debt	108
Ratio of Net General Bonded Debt Outstanding.....	109
Legal Debt Margin.....	110
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total Current Governmental Expenditures	111

Table of Contents

Demographic and Economic Information	
Demographic Statistics	112
Principal Employers	113
Miscellaneous Statistics	114
Operating Information	
Operating Indicators by Function/Program	115
Capital Asset Statistics by Function/Program	116
Teacher Salary Schedule	117
Supplemental Salary Schedule	118
District Feeder Program	119



Introductory Section







*John Allison
Superintendent*

December 11, 2014

To the Board of Education and the Citizens of Unified School District No. 259

The Comprehensive Annual Financial Report (CAFR) for the Wichita Public Schools, Unified School District No. 259 (District) for the fiscal year ended June 30, 2014, is submitted herewith. Generally Accepted Accounting Principles require that these financial statements present the District (the primary government) and its component units, if any. A component unit is a separate entity for which the District is financially accountable or the nature and significance of the relationship between the District and entity are such that exclusion would cause the District's financial statements to be misleading or incomplete. The District has determined that it does not have any component units.

The District's Financial Services Department prepared this report. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District's administrative team and, ultimately, with the Board of Education (Board). We believe the data presented in this report is accurate in all material aspects, presents fairly the financial position and results of operations as measured by the financial activity of the various funds, and includes all footnotes and disclosures necessary to gain an understanding of the District's financial activity.

This report conforms to the Governmental Accounting Standards Board's (GASB) financial reporting principles. All disclosures necessary to enable the reader to gain maximum understanding of the District's financial activity have been included. The notes to the financial statements are considered to be an integral part of the financial statements and contain certain information not shown on the face of the financial statements that is required to be disclosed under Generally Accepted Accounting Principles. Readers of the financial statements are encouraged to thoroughly review the information contained in the notes in connection with their overall review of the financial statements.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget's Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Information related to this single audit is included in a separately issued single audit report.

This report consists of three major sections:

1. Introductory Section – which contains a Table of Contents, Letter of Transmittal, District's organizational chart, List of the Board of Education members, the Shared Beliefs/Objectives, the Governmental Finance Officers Association (GFOA) Certificate of Achievement, and the Association of School Business Officials (ASBO) Certificate of Excellence.

2. Financial Section – which begins with the Independent Auditors' Report and includes Management's Discussion and Analysis, the Basic Financial Statements and footnotes that provide an overview of the District's financial position and operating results, the combining statements for nonmajor funds, and other schedules that provide detailed information relative to the Basic Financial Statements.
3. Statistical Section – presents social and economic data, financial trends, and demographic data about the District for the last ten years.

School District General Description

The District is in Sedgwick County located in south central Kansas. The major city within the District is Wichita with a population of more than 380,000, where approximately 97% of the students reside. The District covers 151 square miles and serves more than 50,000 students. The District consists of more than 100 schools and other centers.

The District is the largest school district in Kansas. The District provides a full range of school programs and services authorized by state statutes. For the 2014 fiscal year, these services include educational programs for grades K-12, special education, Title I, pre-kindergarten, vocational education, bilingual education and other educational programs, transportation, nutrition services, health services, support services, and professional development activities for educators. Also, under supervision of the District, individuals and groups may utilize District facilities for community functions.

The District was established on July 1, 1965. A seven-member elected Board of Education (Board) governs the District. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined by the Governmental Accounting Standards Board. The Board of Education members are elected by the public and have policy setting authority, the ability to significantly influence operations, and primary responsibility for fiscal matters.

Reporting Entity

The District is organized under the laws of the State of Kansas (State), and as mentioned before, is governed by an elected seven-member board. Accounting principles generally accepted in the United States of America (GAAP) require that these financial statements present the District (the primary government) and its component units. There are no component units for which the District is considered to be financially accountable.

Major Initiatives

Important educational initiatives continued or implemented were:

- The Wichita Public Schools initiated the implementation of a systemic system of prevention and intervention for all learners, through the Kansas Multi-Tiered System of Supports (MTSS). MTSS is a continuum of increasingly intense, researched-based interventions provided to learners that helps them learn by responding to their academic and/or behavioral needs. It includes ongoing monitoring of effectiveness of all instruction provided. The outcome is to ensure that each student in USD 259 achieves to high standards. The District has planned for full system implementation by 2014-2015.

- The District began implementation of a new certified staff evaluation process and procedure. The new evaluation process will add consistency and efficiencies to the evaluation process for teachers and administrators and will meet the new evaluation criteria established by the Kansas State Board of Education.
- The District has increased graduation rates by 21% over the last five years.
- A new student information system has been implemented and expanded that will add enhanced parent communication links.
- Wichita Public Schools has an application for mobile technology that increases the ability to communicate with parents and the community.
- Following the 2008, \$370 million bond election, the District has spent \$319 million dollars towards the community-developed facility master plan which includes:
 - Adding 9 new schools to meet current and projected student population growth and to replace antiquated schools
 - Adding over 200 new classrooms
 - Building 60 storm shelter safe rooms
 - Upgrading technical education
 - Renovating or rebuilding physical education, athletic and fine art facilities

Financial Information, Management, and Control

The accounts of the District are organized and operated on the basis of funds. 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. Fund descriptions have been provided where applicable.

Management Responsibility

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. The management of the District is also responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that the assets of the government are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with Generally Accepted Accounting Principles, and that federal and state financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected.

Legislation

Below is a brief description of the most significant school finance legislation:

1. The spending level of the General fund is set by the State. The State school finance formula that calculates individual school districts' General fund budgets used \$3,838 per full-time equivalent student in FY'14 plus additional weighting factors. Additional weighting was allowed for the following: vocational students—50%, bilingual students—39.5%, students transported over 2½ miles—14.9%, and low income students—56.1%. An additional 3.5% weighting was allowed for school districts with enrollments more than 1,622.
2. Since 1992, school districts have not had control over the level of ad valorem taxes levied for their General fund. The State sets the General fund tax levy for all Kansas public school districts. That levy peaked at 37 mills in 1995 and is currently set at 20 mills. However, the first \$20,000 of a personal residence's market value is exempt from the General fund tax levy.
3. School districts are authorized to create a Supplemental General fund which enables them to spend above the level dictated by the State for the General fund. The school finance statute limits the Supplemental General fund to 31 percent of the General fund. The District's 2013-14 Supplemental General fund budget was 30 percent of the General fund, as calculated under the "hold harmless" provision implemented to prevent reduction of the Supplemental General fund due to legislative cuts to special education categorical aid and General fund base state aid per pupil.
4. The major revenue source for the Supplemental General fund is local ad valorem property taxes. However, districts with assessed valuations per pupil below the 81.2 percentile of the median of all Kansas school districts qualify for State funding as well. For 2013-14, the Supplemental General fund budget for the District was funded 62 percent by ad valorem and motor vehicle taxes and 38 percent by state aid.
5. Because a year-end unencumbered cash balance in the General fund becomes a deduction from the following year's state aid, the State authorized the establishment of a Contingency Reserve fund. As of June 30, 2014, the District's fund balance in the Contingency Reserve fund was 4.5% of the FY'14 General fund budget.

Budgetary Control

In developing and evaluating the District's accounting control system, consideration is given to the adequacy of internal accounting controls. Accounting control comprises the plan of organization and the procedures and records that are concerned with the safeguarding of assets and the reliability of financial records.

State statutes require that budgets be legally adopted for all funds, unless exempted by a specific statute. All legal operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end. Encumbered appropriations are not reappropriated in the ensuing year's budget but are carried forward until liquidated or canceled. Accordingly, the data presented in the budgetary comparison statements differ from the data presented in the financial statements prepared in accordance with GAAP.

The budget is prepared by fund, function, object and program. Once the Board adopts the budget, budgetary control is maintained through an online accounting system that includes encumbering estimated expenditures prior to the release of purchase orders to vendors. Purchase orders that exceed available budgeted funds are not released until additional appropriations are made. Monthly budget reports showing orders outstanding and funds available are provided to each manager of a specific location, function, or program.

Financial Condition

In accordance with Governmental Accounting Standards Board (GASB) Statement 34, management is responsible for preparing a Management Discussion and Analysis of the District. This discussion follows the Independent Auditors' Report, providing an assessment of District finances for 2014.

Operating Budget Policy

For FY'14 the District continued to follow the policy of confirming that current revenues were sufficient to support the current operating expenditures. The Financial Services department estimated annual revenues by an objective, analytical process. Fees and user charges were reviewed to ensure they were set at a level that fully supported the total direct and indirect costs of the related activities.

The District utilizes non-recurring revenues for non-recurring purposes rather than for support of on-going operating expenditures. The operating budget for FY'14 included state aid revenue for new facilities, a substantial non-recurring funding source. These funds were transferred to Capital Outlay for future one-time facilities' costs.

Capital Improvement Budget Policy

The District's 5-Year Capital Improvement Plan (CIP) is designed to provide District facility improvements concurrent with the Bond Issue Master Plan. The CIP was updated in FY'14, as required by District policy. FY'14 projects included exterior restoration at three schools, locker room upgrades at two middle schools and one high school, roof replacements at three schools, window replacements at three schools for the purpose of long-term energy savings, new parking lots at two elementary schools, and one additional parking lot at one middle school. Funding sources for these projects included a combination of bond proceeds and the Capital Outlay funds.

Economic Outlook and Conditions

State of Kansas Education Funding

- The General fund budget per pupil is determined by the legislature and was set at \$3,838 for FY'14, the same as the previous year but 13.4%, or \$595, lower per pupil than January 2009. In spite of decreased State funding (both restricted and unrestricted) since 2009, the District continues to support instruction by making cuts as far from the classroom as possible.
- State General Fund receipts were \$688 million lower in FY'14 than in FY'13 as a result of Kansas Tax Reform. Expenditures far exceeded revenues, substantially reducing the State's cash carryover balance. Projections for FY'15 indicate significant mid-year cuts will be necessary to avoid a deficit cash balance. This is cause for concern; however, the governor has indicated school funding will not be impacted.

District Outlook

The District enrollment continues to grow at a stable rate of about 1% per year. This has been the trend over the last five years and is projected to continue and increase in the future. Enrollment growth helps the District deal with fixed cost increases when State funding remains flat. The District is improving its delivery of instruction to a diverse population and continues to improve graduation rates and achievement scores. The Wichita community depends on a strong school system in promoting and recruiting new businesses and economic growth. The City of Wichita uses the District's successes in their economic development plan.

The oldest District facility was originally built in 1919, and the average age of all facilities is 51 years. Twenty percent of the District's school buildings have been constructed since 2000. Through the bond elections in 2000 and 2008, the community voiced support of the District's plans for major maintenance, additional class space, and new facilities. Through these bond projects, the District has been able to take care of deferred maintenance and bring the facilities up to high standards. Even though the District has some old buildings, all of them have been updated. Once the 2008 bond projects are complete with the construction of an additional new high school, all of the major and deferred maintenance on District facilities will be addressed.

For the Future

On November 2, 2010, Schools for Fair Funding filed a lawsuit against the State of Kansas for failing to provide suitable funding for education. The District Court ruled in favor of schools, and the State of Kansas appealed the decision to the Kansas Supreme Court. In the spring of 2014, the Supreme Court ruled in favor of schools on the issue of equity which resulted in an increase of equalization state aid approved by the legislature for FY'15. The Supreme Court returned the question of funding adequacy to the District Court for clarification of their ruling. The District Court is expected to issue a new ruling in late 2014.

During the 2014 Economic Outlook Conference, the Wichita State University Center for Economic Development and Business Research projected:

"Employment in Wichita has continued its trajectory of modest growth in 2014.

"The Wichita economy is projected to improve in 2015 but still grow more slowly than the national average. This recovery has several downside risks that could reduce growth expectations. Further downturns from foreign trading partners, tightening monetary policy, regulatory changes, and local political uncertainties could all darken the outlook for 2015.

"Total non-farm employment is projected to increase by 4,472 jobs in Wichita, for a growth rate of 1.5 percent in 2015. The production sectors are forecast to grow by 1.4 percent, adding 941 jobs. The majority of this growth is projected to be in the natural resources and construction sector, which is projected to grow at 3.6 percent. Manufacturing is expected to grow 0.7 percent. The trade, transportation and utilities sector is forecast to grow 0.9 percent, and the government sector is projected to grow 0.9 percent. The service sectors are projected to add the majority of the new jobs in Wichita in 2015, with a growth rate of 2 percent, adding 2,714 jobs."

Independent Audit

The District is required under state law to have an annual audit of the books of accounts, financial records, and transactions by an independent certified public accounting firm. This

requirement has been complied with, and the auditors' report is presented in the financial section of this report. The auditors' report related specifically to the single audit of federal financial assistance programs is available by separate cover.

Awards

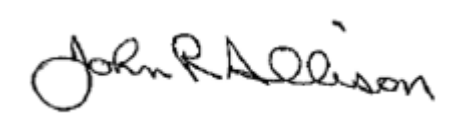
The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its' Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2013. This certificate of achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. The same CAFR also earned the ASBO Certificate of Excellence Award. Both certificates are awarded only to governmental units that publish an easily readable and efficiently organized CAFR. Such a CAFR must comply with both Generally Accepted Accounting Principles and applicable legal requirements.

Both a Certificate of Achievement and a Certificate of Excellence are valid for a period of one year only. We believe our current report continues to conform to the requirements of both certificate programs, and we will again submit it for recognition.

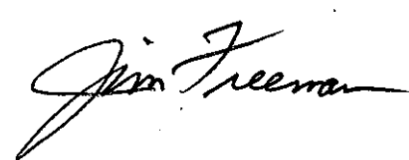
Acknowledgments

The timely preparation of this CAFR could not have been completed without the dedicated efforts of the Financial Services Department. We would like to express our gratitude to everyone who assisted in its preparation. We also extend our appreciation to our independent auditors, Allen, Gibbs & Houlik, L.C., for their assistance and the professional manner in which the audit was accomplished. We also commend the Board for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,

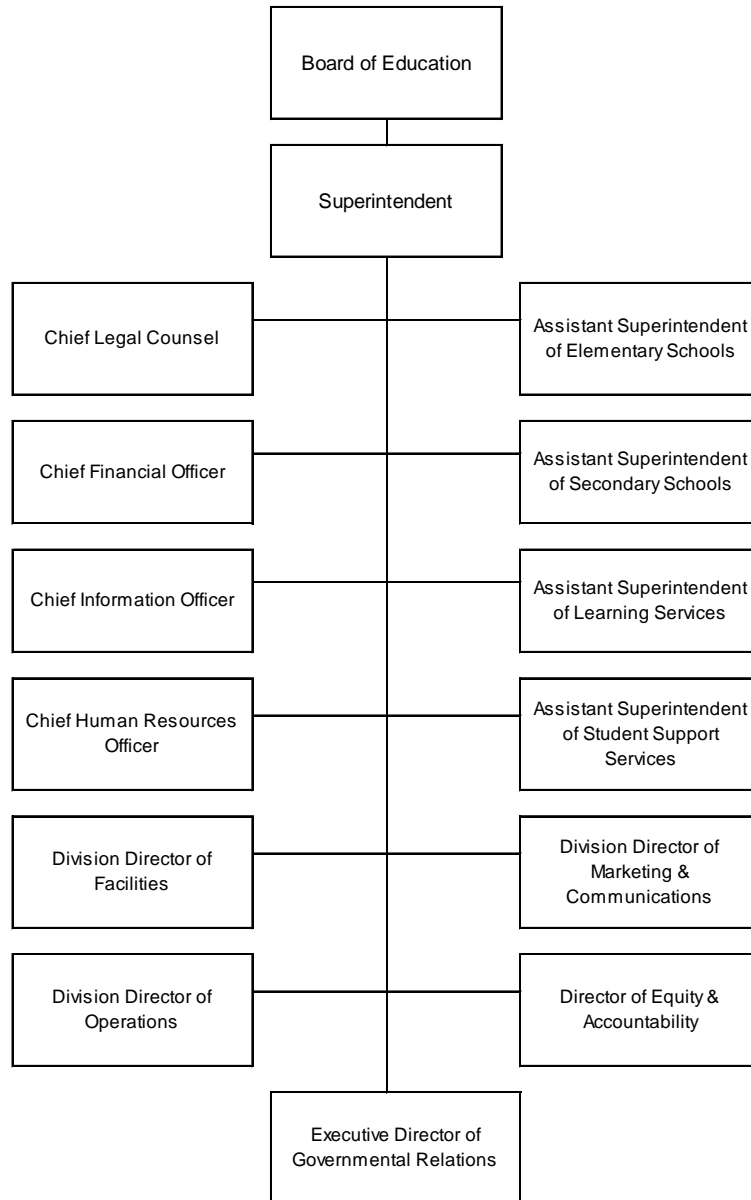


John Allison
Superintendent of Schools



Jim Freeman
Chief Financial Officer

**WICHITA PUBLIC SCHOOLS
DISTRICT ADMINISTRATION ORGANIZATION CHART**



WICHITA BOARD OF EDUCATION

To contact Board of Education members, feel free to call the Clerk of the Board's office at 316-973-4553.

District 1

Betty Arnold
5311 Pembroke
Wichita, KS 67220



District 2

Joy Eakins
P.O. Box 20066
Wichita, KS 67208



District 3

Barbara Fuller
6900 E. Zimmerly
Wichita, KS 67207



District 4

Jeff Davis
1941 W. Greenfield St
Wichita, KS 67217



District 5

Mike Rodee
11306 Bekemeyer St
Wichita, KS 67212



District 6

Lynn W. Rogers
912 Spaulding
Wichita, KS 67203



At-Large

Sheril Logan
1505 N. Valleyview Ct.
Wichita, KS 67212



OFFICERS OF THE BOARD

PresidentSheril Logan
Vice President..... Lynn W. Rogers
Board Counsel Tom Powell
Treasurer Jim Freeman
Clerk of the Board...Michael Willome

SUPERINTENDENT OF SCHOOLS

John Allison

Shared Beliefs

- Successful public education is a community partnership.
- Public education is essential for the improvement of society and democracy.
- Everyone has worth and dignity and is treated with respect.
- We profit from diversity.
- Everyone can and will learn.
- It is worth the effort to ensure everyone learns.
- High expectations are essential for success.
- Families provide an essential foundation for learning.
- All families want their children to be successful.
- Learning is a life-long process.
- Everyone is entitled to a safe, supportive and nurturing learning environment.
- Every student is entitled to equitable opportunities, resources and services.
- Belonging is a key to student success.
- Change is inevitable and necessary; our response is intentional.

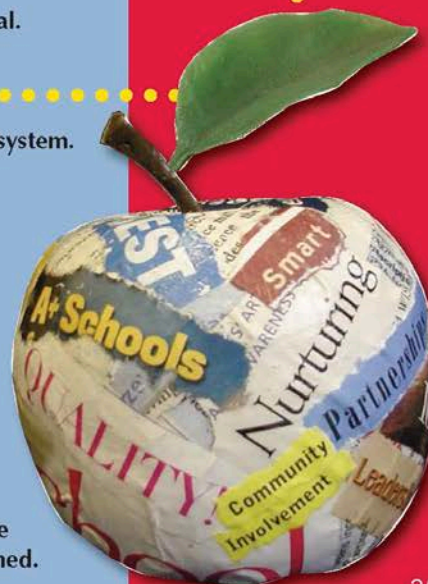
Objectives

- The graduation rate will be 100% using an aligned Pre-K–12 system.
- The 21st century skills and knowledge of all students will continually increase as measured by multiple assessments.
- The academic skill and knowledge gap among the student populations will be continually reduced until eliminated as measured by multiple assessments.
- The social skill and knowledge gap among the student populations will be continually reduced as measured by multiple assessments.
- A coherent, rigorous, safe and nurturing, culturally responsive and inclusive learning community will be fostered and sustained.



The Work of WPS

The work of Wichita Public Schools is to empower all students with the 21st century skills and knowledge necessary for success by providing a coherent, rigorous, safe and nurturing, culturally responsive and inclusive learning community.



2/09



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

Unified School District No. 259

Kansas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

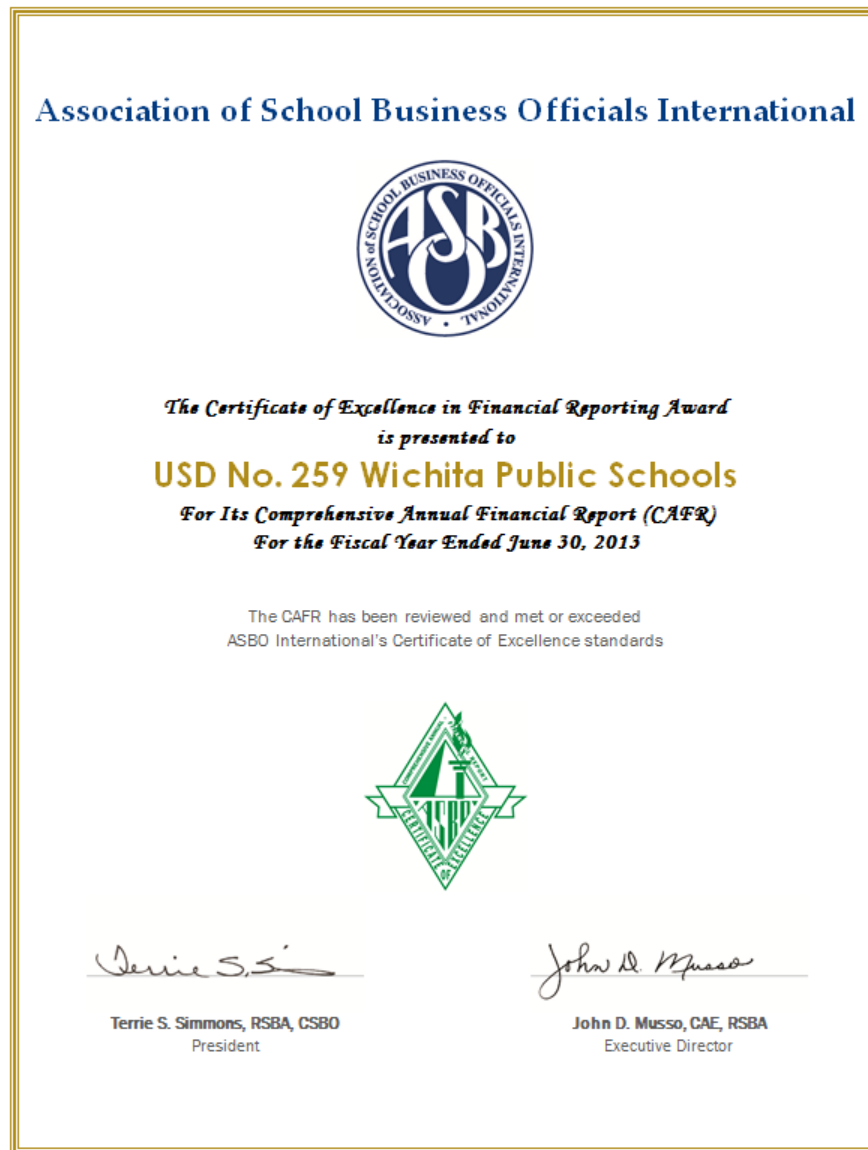
June 30, 2013

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Wichita Public Schools for the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. This was the twenty-second consecutive year that the District has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must comply with both Generally Accepted Accounting Principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.



The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Wichita Public Schools for the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. This was the twenty-second consecutive year that the District has achieved this prestigious award.

The Certificate of Excellence is an award of recognition granted by the Association of School Business Officials of the United States and Canada. The award certifies that the recipient school system has presented its Comprehensive Annual Financial Report to the ASBO Panel of Review for critical review and evaluation and that the report was judged to have complied with the principles and practices of financial reporting recognized by ASBO. The Certificate of Excellence is issued for a period of one year.

Receiving the award is recognition that a school system has met the highest standards of excellence in school financial reporting. We believe the current report continues to conform to Certificate of Excellence program requirements, and we are submitting it to the ASBO to determine its eligibility for another certificate.

Financial Section





INDEPENDENT AUDITOR'S REPORT



The Board of Education
Wichita Public Schools
Unified School District No. 259

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Wichita Public Schools Unified School District No. 259 (District), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the Kansas Municipal Audit and Accounting Guide, and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed on the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund statements and schedules and the introductory and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2014 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.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

December 11, 2014
Wichita, Kansas

Management's Discussion and Analysis

It is a privilege to present to you the financial picture of the Wichita Public Schools Unified District 259 (District). This discussion and analysis provides an overall review of the District's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the transmittal letter, notes to the basic financial statements, and financial statements to enhance their understanding of the District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

The District's FY'14 General fund base state aid remained the same as the previous year at \$3,838 per student. There has been a net decrease of \$595 in base state aid since February 2009. In 2011, the legislature passed Senate Bill 111 which permitted districts to offset the loss of base state aid with available unencumbered cash balances in 13 special revenue funds. This was made permanent in the spring of 2013, with the passage of House Bill 2261. However, due to dwindling cash balances, the District did not use the provision in FY'14.

Because of the reductions in base state aid per pupil, the Kansas legislature implemented a hold harmless provision in 2009 that allowed Kansas school districts the ability to adopt Supplemental General fund (LOB) budgets in subsequent years based on 30 percent of the General fund as computed using the 2008-09 base state aid figure. However, since more districts across the state are qualifying for this limited funding source as a result of the decline in the economy, many districts are receiving less LOB state aid than in the past. To avoid an overall tax increase on local taxpayers in 2011, 2012 and 2013, the District chose to allow the LOB levy to increase and reduced the Capital Outlay mill levy, as well as a reduction in the Bond and Interest mill levy in 2013, to keep the overall tax rate level. Legislative changes near the end of FY'14 as a result of a Kansas Supreme Court ruling increased equalization in the LOB and Capital Outlay funds, which will allow the District to lower the overall property tax levy in FY'15.

Overview of the Financial Statements

The basic financial statements of the District include the government-wide financial statements and the fund financial statements. The notes to the financial statements follow the basic financial statements and are essential for the reader's understanding of the financial statements. Other supplementary information is also included at the end of this report to provide additional information for the reader.

- ✓ The first two statements are *government-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.

- ✓ The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the government-wide statements.
 - The *governmental funds statements* tell how basic services such as regular and special education were financed in the *short-term*, as well as what remains for future spending.
 - The *proprietary funds statements* provide information on internal service activities which manage multiple types of risk for the District.
 - *Fiduciary funds statements* provide information about the financial relationships in which the District acts solely as a *trustee* or *agent* for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

Users of the report have an opportunity to compare the net position of the Wichita Public Schools to other entities using the government-wide financial statements. Those users can address relevant issues and broaden the basis of comparison (year-to-year or government-to-government) to enhance the District's accountability.

Government-Wide Financial Statements

The government-wide statements report information about the District as a whole using the accrual basis of accounting, the method used by private-sector companies. The Statement of Net Position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two government-wide statements report the District's *net position* and how it has changed. Net position – the difference between the District's assets and deferred outflows and the liabilities and deferred inflows – is one way to measure the District's financial health or *position*.

- ✓ Over time, increases or decreases in the District's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- ✓ To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements, the District's activities are divided into two categories:

- ✓ *Governmental activities*: All of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state aid finance most of these activities.
- ✓ *Business-type activities*: The District does not have any business-type activities.

Fund Financial Statements

A fund is a fiscal entity with a set of self-balancing accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Wichita Public Schools, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide more information about the District's most significant funds – not the District as a whole. All of the funds of the Wichita Public Schools can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- ✓ *Governmental funds:* Governmental fund financial statements are prepared on the modified accrual basis. Under the modified accrual basis, revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred, with the exception of long-term debt and other similar items which are recorded when due. The focus, therefore, is on the short-term financial picture of the operations reported, rather than the District as a whole. Most of the District's basic operations are reported in the governmental fund financial statements. The information reported in these statements can be compared to the governmental activities information in the government-wide statements. The reconciliation at the end of the fund financial statements details the relationship between the two types of financial statements.
- ✓ *Proprietary funds:* Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are prepared on the accrual basis of accounting. The District's internal service funds report activities that provide supplies and services for its other programs and activities. The District currently has the following four internal service funds: the workers' compensation fund, the disability fund, the health fund, and the risk management fund.
- ✓ *Fiduciary funds:* Fiduciary funds are used by the District to account for resources held by the District for the benefit of a third party. Because the resources of these funds are not available for the District's operation, they are not presented in the government-wide financial statements. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong.

The District as a Whole

Table 1 reflects the net position of Wichita Public Schools as of June 30. The District's overall financial position is relatively stable, with a slight decrease in net position of \$849,621. This is the net effect of several changes, as explained in the following bullets:

- Current and other assets increased \$17.8 million, primarily due to an increase in cash in the Bond Capital Projects fund as a result of bonds issued during the year for construction of a new high school.
- Capital assets increased \$24 million primarily due to completion of various construction projects, including renovation of existing facilities related to the 2008 community-approved \$370 million bond issue.
- The increase in long-term liabilities is due to the October 2013 bond sale.

- The \$3.7 million decrease in net position restricted for self-insurance claims is in large part a result of a reduction in cash in the self-insured Health Care fund due to payment of fees related to the Affordable Care Act.
- The \$13 million decrease in unrestricted net position is primarily due to an increase in early retirement and Other Post-Employment Benefits liabilities and a decrease in the State Intervention fund balance as a result of increased costs and lower state aid revenue in the fund.

Table 1
Net Position
Governmental Activities
As of June 30

	2014	2013	Change Increase (Decrease)
Assets			
Current and other assets	\$317,887,644	\$300,072,788	\$17,814,856
Capital assets	724,090,882	699,892,406	24,198,476
Total Assets	<u>\$1,041,978,526</u>	<u>\$999,965,194</u>	<u>\$42,013,332</u>
Deferred Outflows of Resources			
Deferred charge on refunding	\$886,125	\$1,094,379	(\$208,254)
Total Deferred Outflows of Resources	<u>\$886,125</u>	<u>\$1,094,379</u>	<u>(\$208,254)</u>
Liabilities			
Current and other liabilities	\$43,270,600	\$43,930,190	(\$659,590)
Long-term liabilities:			
Due within one year	46,398,110	41,654,868	4,743,242
Due in more than one year	<u>515,157,042</u>	<u>476,585,995</u>	<u>38,571,047</u>
Total Liabilities	<u>\$604,825,752</u>	<u>\$562,171,053</u>	<u>\$42,654,699</u>
Net Position			
Net investment in capital assets	\$334,998,662	\$312,942,740	\$22,055,922
Restricted:			
Instruction and support services	9,823,734	11,911,677	(2,087,943)
Facilities and capital projects	31,760,044	32,701,407	(941,363)
Debt service	23,254,437	24,403,113	(1,148,676)
Self-insurance claims	41,545,589	45,230,277	(3,684,688)
Special education	6,028,150	8,568,239	(2,540,089)
Nutrition services	12,905,249	11,785,330	1,119,919
Federal and state grant programs	948,423	1,510,421	(561,998)
Unrestricted	<u>(23,225,389)</u>	<u>(10,164,684)</u>	<u>(13,060,705)</u>
Total Net Position	<u><u>\$438,038,899</u></u>	<u><u>\$438,888,520</u></u>	<u><u>(\$849,621)</u></u>

Table 2 below shows condensed revenues, expenses, and change in net position for fiscal years 2014 and 2013.

Table 2
Changes in Net Position
Governmental Activities
Fiscal Years Ended June 30

	2014	2013	Change Increase (Decrease)
Revenues:			
Program Revenues:			
Charges for services	\$10,420,188	\$5,295,618	\$5,124,570
Operating grants and contributions	256,161,515	249,460,514	6,701,001
Capital grants and contributions	1,211,708	4,145,271	(2,933,563)
General Revenues:			
Property taxes	152,072,266	151,694,016	378,250
State and federal aid not restricted to specific purposes	188,824,383	181,557,719	7,266,664
State aid received for debt service (principal)	6,023,100	5,608,500	414,600
Other	1,511,221	1,877,484	(366,263)
Total Revenues	<u>\$616,224,381</u>	<u>\$599,639,122</u>	<u>\$16,585,259</u>
Program Expenses:			
Instruction	\$346,685,399	\$310,436,796	\$36,248,603
Student and instructional support	75,391,283	70,466,957	4,924,326
Administration	42,055,747	39,567,265	2,488,482
Operations and maintenance	82,520,406	69,226,727	13,293,679
Student transportation service	29,159,038	26,044,801	3,114,237
Nutrition services	20,958,861	20,636,334	322,527
Interest on long-term debt	20,303,268	19,928,885	374,383
Total Expenses	<u>\$617,074,002</u>	<u>\$556,307,765</u>	<u>\$60,766,237</u>
Increase/Decrease in Net Position	(\$849,621)	\$43,331,357	(\$44,180,978)
Net Position-Beginning	438,888,520	397,849,816	41,038,704
Prior Period Adjustment	-	(2,292,653)	2,292,653
Net Position-Ending	<u>\$438,038,899</u>	<u>\$438,888,520</u>	<u>(\$849,621)</u>

- The \$5.1 million increase in Charges for services is a result of a change in the method in which the District's before/after school Latchkey program fees are handled and a net impairment gain related to a fire at College Hill Elementary.
- The \$6.7 million increase in Operating grants and contributions is a result of increased federal funding in the Special Education fund.

- The \$2.9 million decrease in Capital grants and contributions is due to reduced FEMA grants for storm shelters. The shelters were built in conjunction with the new and renovated schools that are part of the 2008 bond issue.
- The \$7.3 million increase in State and federal aid not restricted to specific purposes is in large part a result of an increase in the District's total enrollment.
- The increases in Program Expenses in the areas of Instruction, Student and instructional support, Administration, and Operations and maintenance are a result of salary increases, as well as staffing increases supporting the increased enrollment in the District.
- The \$3.1 million increase in Student transportation service is a result of a contractual escalator based on the Consumer Price Index and minor additions in bus runs.

The results of this year's operations as a whole are reported in the Statement of Activities on page 28. All expenses are reported first. Specific charges for services, grants, revenues and subsidies that directly relate to specific expense categories are represented to determine the final amount of the District's activities that are supported by other general revenues.

The School District's Funds

At June 30, 2014, the District governmental funds reported a combined fund balance of \$221.6 million, an increase of \$21.5 million from FY'13. This increase is largely related to the net effect of a reduction of General fund encumbrances that were primarily related to furnishing and equipping new schools, and an increase in cash in the Bond Capital Projects fund as a result of the October 2013 bond sale for the final phase of construction projects authorized by the 2008 bond election.

Table 3
Governmental Fund Balances
As of June 30 Year End

Governmental Funds	2014	2013	Change In Fund Balance
General	\$29,029,509	\$33,566,996	(\$4,537,487)
Special Education	11,164,889	12,420,426	(1,255,537)
State Intervention (K-12)	666,736	3,370,568	(2,703,832)
Bond Capital Projects	91,707,367	60,906,669	30,800,698
Capital Outlay	31,753,247	32,700,157	(946,910)
Bond and Interest	32,116,572	31,008,523	1,108,049
Nonmajor Governmental	25,153,236	26,152,484	(999,248)
Total Governmental Fund Balances	<u>\$221,591,556</u>	<u>\$200,125,823</u>	<u>\$21,465,733</u>

General Fund Budgeting Highlights

The District's budget is prepared according to state statutes and uses the statutory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances. The most significant budgeted fund is the General fund.

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.

The General fund budget was amended from \$325,678,479 to \$330,066,159 as a result of the Kansas Legislature appropriating additional funds to cover state-wide increased enrollment and weightings. The \$4.4 million increase in June 2014 was primarily due to additional state aid resulting from regular and at-risk student enrollment increases.

The Instruction budget was underspent \$14.2 million primarily due to two factors. Salary expenditures were lower than budgeted, a result of staffing changes and unfilled vacant positions in the budget. Additionally, the new facilities funding of \$5.3 million was budgeted in the Instruction function, but the funds were instead transferred to the Capital Outlay fund at the end of the year to be spent on capital needs in FY'15.

Actual Transfers Out exceeded the budgeted amount by \$13.2 million. This is a result of the above-mentioned transfers of the increased state aid and new facilities funding to other funds.

The District's ending unobligated cash balance in the General fund was \$523,105 above the final budgeted fund balance amount due to the cancellation of purchase orders carried over from prior fiscal years which become a deduction from state aid in the subsequent year.

Special Education Fund

The Special Education fund balance decreased by \$1.3 million from FY'13 as a result of increased program costs. The \$11.1 million FY'14 fund balance will enable the District to fund the FY'15 program until state aid is received in October. Since Special Education is a special revenue fund, all fund balances are restricted for special education purposes. Special education expenditures increased by \$7.1 million in fiscal year ending June 30, 2014, primarily due to increased staffing needed to provide required services.

State Intervention Fund (K-12)

The state aid generated for the State Intervention fund is based on low-income students who qualify for free lunches. The students served with these funds are considered at-risk and need additional instructional services, such as small-group reading instruction, which helps to improve student learning. Due to the economy, the percentage qualifying for state intervention aid has increased annually.

The State Intervention fund balance decreased \$2.7 million from FY'13 as a result of decreased revenues and increased expenditures. Although the at-risk state aid increased, the funding receipted to the State Intervention fund reflects a decrease of \$1.4 million. Under state statute, the at-risk funds may be placed in any of the following funds: State Intervention, Bilingual, 4 Year Old State Intervention, and Vocational. In the past, the District has placed all the funding in the State Intervention fund. In FY'14, however, the District exercised the ability to deposit a portion of the at-risk state aid in the Bilingual, 4 Year Old State Intervention, and Vocational funds.

Although the State Intervention fund balance is restricted, the District's poverty level (approximately 77%) is high enough that classroom teacher costs may be charged to this fund. Expenditures for FY'14 increased largely due to salary increases.

Bond Capital Projects

The Bond Capital Projects fund balance increased from \$60.9 million in FY'13 to \$91.7 million in FY'14 due to the previously noted October 2013 bond sale authorized by the November 4, 2008, bond election. Bond proceeds authorized by the 2008 bond election have been used to construct one new high school, one new K-8 school and six new elementary schools, as well as to renovate high school fine arts and athletic facilities, add classrooms and multi-purpose rooms, upgrade middle school auditoriums, and add tracks at middle schools.

The full amount of the June 30, 2014, fund balance is restricted for use on bond projects. The final phase of the bond construction projects has begun and will culminate with the construction of an additional new high school.

Capital Outlay Fund

In FY'14 the District had the authority to levy up to 7 mills in the Capital Outlay fund, however, the levy was reduced to 4.25 mills in order to maintain a stable total property tax levy. This resulted in a reduction in property tax revenue in this fund, which is primarily responsible for the \$946,910 decrease in fund balance that was previously accumulated for the purpose of supplementing bond construction. The Capital Outlay fund balance is restricted to furnishing, equipping, improving, repairing, acquiring, and constructing buildings and sites.

As a result of new legislation, the Board of Education adopted a new Capital Outlay resolution in June 2014 for authority to levy up to 8 mills of property tax beginning in FY'15. Additionally, the Capital Outlay fund will be allowed to purchase software and pay for maintenance in addition to the previously allowed uses stated above. The new legislation also reinstated the Capital Outlay equalization state aid payments to districts for FY'15.

Bond and Interest Fund

This fund is used to make principal and interest payments on the long-term debt obligations of the District authorized by the 2000 and 2008 bond elections. The fund balance in the Bond and Interest fund increased from \$31 million to \$32.1 million due to the net effect of a decrease in debt service payments resulting from refunding bonds in prior years, an increase in the bond and interest state aid percentage, and a decrease in property taxes. The District reduced the property tax levy in this fund from 9.496 mills to 7.761 mills to be able to increase the Supplemental General fund tax levy for the purpose of maximizing state aid. This was intended to be a one-year change, and the Bond and Interest fund levy will be reinstated to the prior

amount in the FY'15 budget. The entire June 30, 2014, fund balance is restricted for payment of bond principal, interest, and issuance costs.

Capital Assets and Debt Administration

Capital Assets

At the end of the fiscal years 2014 and 2013, the District had \$724,090,882 and \$699,892,406, respectively, invested in capital assets (net of depreciation). The increases in land and improvements and buildings and improvements and the decrease in construction in progress were primarily attributable to capitalization of assets related to construction projects authorized by the 2008 bond election.

Table 4
Capital Assets - Net of Depreciation
Governmental Activities

	2014	2013	Change Increase (Decrease)
Land and improvements	\$48,156,659	\$46,554,330	\$1,602,329
Intangibles	2,617,038	2,728,044	(111,006)
Construction in progress	20,902,553	32,249,236	(11,346,683)
Buildings and improvements	638,494,630	606,128,935	32,365,695
Machinery and equipment	13,920,002	12,231,861	1,688,141
Total capital assets - net of depreciation	<u>\$724,090,882</u>	<u>\$699,892,406</u>	<u>\$24,198,476</u>

Additional information about the District's capital assets can be found in Note III.B. of the Notes to the Financial Statements.

Debt

At June 30, 2014, the District had \$470,610,000 in bonds and notes outstanding. Table 5 summarizes debt outstanding.

Table 5
Governmental Activities
Outstanding Debt, at Year End

	2014	2013	Change Increase (Decrease)
General Obligation Bonds	\$470,610,000	\$438,985,000	\$31,625,000

All outstanding bonds are related to two bond elections. In April 2000, the voters approved a \$284.5 million bond issue, of which all bonds have been sold and all construction completed. In November 2008, the voters approved \$370 million in bond improvements.

The \$31.6 million increase in general obligation bonds payable is a result of new bonds issued in October 2013 in the amount of \$49,340,000, as authorized in the 2008 election, and the normal annual bond payments.

The ratio of net bonded debt to estimated actual value and the net bonded debt per capita are useful indicators of the District's debt position. The net bonded debt to estimated actual value increased slightly from 2.57% in FY'13 to 2.79% in FY'14, and the net bonded debt per capita increased from \$1,103 to \$1,194. Additionally, net bonded debt per pupil increased from \$8,402 in FY'13 to \$9,020 in FY'14.

For more information on the District's debt administration, please refer to Note III.C. of the Notes to the Financial Statements.

Other Potentially Significant Matters

The following significant facts were known by management as of the date of the independent auditor's report:

- In July, the District was notified of the Title IA allocation for FY'15 in the amount of \$22.5 million and the Title IIA allocation of \$2,496,943 for FY'15.
- In September, the District received notice of the Special Education IDEA VI-B allocation for FY'15 in the amount of \$10,551,662 for the 3-5 Early Childhood and 3-21 Pass Through programs.
- The contract for the construction of a new high school was approved by the Board in October. The contract is for an amount not to exceed \$58 million and represents the final phase of the 2008 Bond construction plan.
- In December, the Board of Education approved the sale of the land and building which houses the District's administrative offices for \$1.2 million. The net book value of the property is \$4.9 million, which will result in a loss in FY'15 of \$3.7 million.

Contacting the School District's Financial Management

Budgeting Web Page: <http://www.usd259.org/districtoffices/finance>

Contact Budgeting by E-mail: budgetoffice@usd259.net

Write the Budgeting Office:

Unified School District #259
Attention: Dee Grunder
201 N. Water, Suite 603
Wichita, KS 67202

Contact Budgeting by Phone:

Jim Freeman, Chief Financial Officer (316) 973-4529
Dee Grunder, Director of Budgeting (316) 973-4528
Fax: Attention: Dee Grunder (316) 973-4600



Basic Financial Statements





Financial Section

**Wichita Public Schools
Unified School District No. 259
Statement of Net Position
June 30, 2014**

	Governmental Activities
Assets	
Cash, cash equivalents and investments	\$ 177,304,681
Restricted cash, cash equivalents and investments	99,421,649
Receivables:	
State aid	30,325,671
Interest	86,890
Intergovernmental	6,189,738
Accounts receivable	1,927,070
Inventory	2,631,945
Capital assets:	
Land and construction in progress	43,197,616
Other capital assets, net of depreciation	680,893,266
Total assets	<u>1,041,978,526</u>
 Deferred outflows of resources	
Deferred charge on refunding	<u>886,125</u>
	<u>886,125</u>
Liabilities	
Accounts payable	12,453,188
Accrued payroll	23,510,530
Interest payable	5,962,142
Advance - grants	1,344,740
Long-term liabilities, including claims payable	
Due within one year	46,398,110
Due in more than one year	515,157,042
Total liabilities	<u>604,825,752</u>
 Net Position	
Net investment in capital assets	334,998,662
Restricted for:	
Instruction and support services	9,823,734
Facilities and capital projects	31,760,044
Debt service	23,254,437
Self-insurance claims	41,545,589
Special education	6,028,150
Nutrition service	12,905,249
Federal and state grant programs	948,423
Unrestricted	<u>(23,225,389)</u>
Total net position	<u>\$ 438,038,899</u>

The accompanying notes are an integral part of the basic financial statements.

**Wichita Public Schools
Unified School District No. 259
Statement of Activities
For the Year Ended June 30, 2014**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					Total Governmental Activities
Instruction	\$ 346,685,399	\$ 7,138,221	\$ 158,591,382	\$ -	\$ (180,955,796)
Student and instructional support	75,391,283	78	35,694,984	1,211,708	(38,484,513)
Administration	42,055,747	-	6,045,083	-	(36,010,664)
Operations and maintenance	82,520,406	-	4,845,409	-	(77,674,997)
Student transportation service	29,159,038	-	19,232,584	-	(9,926,454)
Nutrition services	20,958,861	3,281,889	21,095,683	-	3,418,711
Interest on long-term debt	20,303,268	-	10,656,390	-	(9,646,878)
Total primary government	\$ 617,074,002	\$ 10,420,188	\$ 256,161,515	\$ 1,211,708	\$(349,280,591)
General revenues:					
Property taxes levied for:					
General purposes					116,349,986
Debt service					22,963,346
Capital outlay					12,758,934
State and federal aid not restricted to specific purposes					188,824,383
State aid received for debt service (principal)					6,023,100
Earnings on investments					397,061
Miscellaneous					1,114,160
Total general revenues					348,430,970
Change in net position					(849,621)
Net position-beginning					438,888,520
Net position-ending					\$ 438,038,899

The accompanying notes are an integral part of the basic financial statements.

Wichita Public Schools
Unified School District No. 259
Balance Sheet
Governmental Funds
June 30, 2014

	General	Special Education	State Intervention (K-12)	Bond Capital Projects	Capital Outlay	Bond and Interest	Nonmajor Governmental Funds	Total Governmental Funds
Assets:								
Cash, cash equivalents and investments	\$ 11,993,430	\$ 15,880,626	\$ 5,643,871	\$ -	\$ 33,118,004	\$ 28,116,085	\$ 28,940,951	\$ 123,692,967
Restricted cash, cash equivalents and investments	-	-	-	95,421,162	-	4,000,487	-	99,421,649
Intergovernmental receivables	104,429	3,730,786	-	-	563,111	1,100,495	690,917	6,189,738
State aid receivable	30,325,671	-	-	-	-	-	-	30,325,671
Interest receivable	-	-	-	76,012	10,878	-	-	86,890
Inventory	1,027,783	-	-	-	-	-	1,604,162	2,631,945
Total assets	\$ 43,451,313	\$ 19,611,412	\$ 5,643,871	\$ 95,497,174	\$ 33,691,993	\$ 33,217,067	\$ 31,236,030	\$ 262,348,860
Liabilities:								
Accounts payable	\$ 3,384,081	\$ 372,946	\$ 135,096	\$ 3,789,807	\$ 1,723,615	\$ -	\$ 1,794,983	\$ 11,200,528
Accrued payroll	10,641,206	4,472,569	4,842,039	-	48,469	-	3,506,249	23,510,532
Advance - grants	396,517	-	-	-	166,662	-	781,562	1,344,741
Total liabilities	14,421,804	4,845,515	4,977,135	3,789,807	1,938,746	-	6,082,794	36,055,801
Deferred Inflows of Resources:								
Unavailable revenue - receivables	-	3,601,008	-	-	-	1,100,495	-	4,701,503
Total deferred inflows of resources	-	3,601,008	-	-	-	1,100,495	-	4,701,503
Fund Balances:								
Nonspendable	1,027,783	-	-	-	-	-	1,604,162	2,631,945
Restricted	984,780	11,164,889	666,736	91,707,367	31,753,247	32,116,572	23,549,363	191,942,954
Assigned	6,687,905	-	-	-	-	-	-	6,687,905
Unassigned	20,329,041	-	-	-	-	-	(289)	20,328,752
Total fund balances	29,029,509	11,164,889	666,736	91,707,367	31,753,247	32,116,572	25,153,236	221,591,556
Total liabilities, deferred inflows of resources and fund balances	\$ 43,451,313	\$ 19,611,412	\$ 5,643,871	\$ 95,497,174	\$ 33,691,993	\$ 33,217,067	\$ 31,236,030	\$ 262,348,860

The accompanying notes are an integral part of the basic financial statements.

Financial Section

**Wichita Public Schools
Unified School District No. 259
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2014**

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance -- governmental funds		\$ 221,591,556
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost	\$ 1,006,273,837	
Accumulated Depreciation	<u>(282,182,955)</u>	724,090,882
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
General Obligation Bonds Payable	(470,610,000)	
Premium on Bonds Payable	(15,092,812)	
Discount on Bonds Payable	16,611	
Deferred Refunding on Bonds Payable	886,125	
Accrued Interest Payable on the Bonds	(5,962,142)	
Early Retirement Program	(39,867,272)	
Compensated Absences	(11,116,000)	
Other Post Employment Obligations	(11,472,741)	
Environmental Liability	<u>(672,400)</u>	(553,890,631)
Medicaid accounts receivable is not considered available to liquidate liabilities of the current period, and are therefore deferred in the funds. However, it is recognized as revenue in the entity-wide statements as soon as the related service has been provided.		
		3,601,008
Interest expense subsidy receivable is not considered available to liquidate liabilities of the current period and is therefore deferred in the funds. However, it is recognized as revenue in the entity-wide statements as soon as the related service has been provided.		
		1,100,495
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position.		
		<u>41,545,589</u>
Total net position -- governmental activities		<u>\$ 438,038,899</u>

The accompanying notes are an integral part of the basic financial statements.

Financial Section

Wichita Public Schools Unified School District No. 259 Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Year Ended June 30, 2014

	General	Special Education	State Intervention (K-12)	Bond Capital Projects	Capital Outlay	Bond and Interest	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:								
Taxes	\$ 116,349,956	\$ -	\$ -	\$ -	\$ 12,758,934	\$ 22,963,346	\$ 30	\$ 152,072,266
Intergovernmental - State	198,041,026	42,147,885	70,684,066	-	-	12,313,084	50,922,888	374,108,949
Intergovernmental - Federal	-	19,813,506	-	-	854,012	-	52,499,642	73,167,160
Interest expense subsidy - Federal	-	-	-	-	-	4,366,406	-	4,366,406
Charges for services	329,271	-	87,815	-	-	-	7,255,343	7,672,429
Earnings on investments	538	-	-	251,452	87,457	1,087	11,412	351,946
Other	691,441	159,840	-	-	-	-	262,876	1,114,157
Contributions	574,425	-	-	-	357,696	-	-	932,121
Total revenues	315,986,657	62,121,231	70,771,881	251,452	14,058,099	39,643,923	110,952,191	613,785,434
Expenditures:								
Current:								
Instruction	112,329,596	62,305,444	71,028,976	-	-	-	71,383,725	317,047,741
Student and instructional support	27,259,529	25,117,523	1,106,279	-	-	-	20,711,091	74,194,422
Administration	32,825,381	2,565,605	1,088,060	-	-	-	5,153,020	41,632,066
Operations and maintenance	71,299,011	3,728,925	252,398	-	-	-	4,631,071	79,911,405
Student transportation service	16,787,062	11,834,638	-	-	-	-	145,796	28,767,496
Nutrition services	5,461	-	-	-	-	-	23,193,264	23,198,725
Sub-total current expenditures	260,506,040	105,552,135	73,475,713	-	-	-	125,217,967	564,751,855
Facility acquisition and construction service	-	-	-	22,883,338	21,213,094	-	-	44,096,432
Debt Service:								
Principal retirement	-	-	-	-	-	17,215,000	-	17,215,000
Interest	-	-	-	1,059,800	-	21,327,946	-	22,387,746
Other	-	-	-	426,671	-	-	-	426,671
Total expenditures	260,506,040	105,552,135	73,475,713	24,369,809	21,213,094	38,542,946	125,217,967	648,877,704
Excess (deficiency) of revenues over (under) expenditures	55,480,617	(43,430,904)	(2,703,832)	(24,118,357)	(7,154,995)	1,100,977	(14,265,776)	(35,092,270)
Other financing sources (uses):								
Bond issuance	-	-	-	48,760,000	-	-	-	48,760,000
Refunding bond issuance	-	-	-	-	-	580,000	-	580,000
Premium on bond issuance	-	-	-	6,159,055	-	20,051	-	6,179,106
Payment to refunded bond escrow	-	-	-	-	-	(592,979)	-	(592,979)
Sale of property	-	-	-	-	1,319,650	-	-	1,319,650
Transfers in	-	42,175,367	-	-	4,888,435	-	12,914,921	59,978,723
Transfers out	(60,110,640)	-	-	-	-	-	-	(60,110,640)
Total other financing sources (uses)	(60,110,640)	42,175,367	-	54,919,055	6,208,085	7,072	12,914,921	56,113,860
Net change in fund balances	(4,630,023)	(1,255,537)	(2,703,832)	30,800,698	(946,910)	1,108,049	(1,350,855)	21,021,590
Fund balances at beginning of year	33,566,996	12,420,426	3,370,568	60,906,669	32,700,157	31,008,523	26,152,484	200,125,823
Change in reserve for inventory	92,536	-	-	-	-	-	351,607	444,143
Fund balances at end of year	\$ 29,029,509	\$ 11,164,889	\$ 666,736	\$ 91,707,367	\$ 31,753,247	\$ 32,116,572	\$ 25,153,236	\$ 221,591,556

The accompanying notes are an integral part of the basic financial statements.

Financial Section

Wichita Public Schools Unified School District No. 259 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2014

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances -- total governmental funds		\$ 21,021,590
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded the amount of assets capitalized in the current period.		
Depreciation expense	\$ (30,299,028)	
Capital assets capitalized	<u>58,452,657</u>	28,153,629
In the statement of activities, the loss on impairment of capital assets is reported.		(500,098)
In the statement of activities, the gain or loss from the sale of capital assets is reported, whereas in the governmental funds, only any proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balances by the cost of capital assets sold.		(3,455,055)
Revenues reported in the funds that do not provide current financial resources are reported as revenues in the statement of activities.		(336,141)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.		(49,340,000)
Bond premium proceeds provide current financial resources to governmental funds, but do not increase long-term liabilities in the statement of net position.		(6,179,106)
Deferred refunding on bonds payable decrease the current financial resources to governmental funds but do not decrease long-term liabilities in the statement of net position.		(208,254)
The amortization of bond premiums and discounts decrease the long term liabilities in the statement of net position but does not provide current financial resources to the governmental funds.		3,068,760
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General obligation bonds	17,215,000	
Refunded bonds	<u>500,000</u>	17,715,000
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(274,166)
In the statement of activities, certain operating expenses -- compensated absences, early retirement benefits, and environmental liabilities -- are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, the following differences were noted:		
Compensated absences earned exceeded benefits paid	(18,000)	
Early retirement benefits earned exceeded benefits paid	(4,098,998)	
Environmental liabilities incurred exceeded amounts paid	<u>200,600</u>	(3,916,398)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.		(3,684,688)
In the statement of activities, a liability is accrued for other post employment benefits, whereas in governmental funds, other post employment benefits expenditure is reported when paid.		(3,358,837)
In the statement of activities, consumption of inventory is reported as an expense, whereas in governmental funds, changes in inventory are adjustments to fund balance.		<u>444,143</u>
Change in net position of governmental activities		\$ (849,621)

The accompanying notes are an integral part of the basic financial statements.

**Wichita Public Schools
Unified School District No. 259
Statement of Net Position
Proprietary Funds
June 30, 2014**

	Internal Service Funds
Assets:	
Current assets:	
Cash, cash equivalents and investments	\$ 53,611,714
Accounts receivable	<u>1,927,070</u>
Total current assets	<u>55,538,784</u>
Liabilities:	
Current liabilities:	
Accrued liabilities	1,252,657
Current portion - claims payable	<u>7,620,710</u>
Total current liabilities	<u>8,873,367</u>
Noncurrent liabilities	
Long-term claims payable	<u>5,119,828</u>
Total liabilities	<u>13,993,195</u>
Net Position:	
Total net position restricted for self-insurance claims	<u><u>\$ 41,545,589</u></u>

The accompanying notes are an integral part of the basic financial statements.

**Wichita Public Schools
Unified School District No. 259
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2014**

	Internal Service Funds
Operating revenues:	
Charges for services	\$ 60,249,962
Total operating revenues	<u>60,249,962</u>
Operating expenses:	
Contractual services	<u>64,111,683</u>
Total operating expenses	<u>64,111,683</u>
Operating income (loss)	<u>(3,861,721)</u>
Nonoperating revenues:	
Interest	<u>45,116</u>
Total nonoperating revenues	<u>45,116</u>
Income (loss) before transfers	(3,816,605)
Transfers in	<u>131,917</u>
Change in net position	(3,684,688)
Total net position-beginning of year	<u>45,230,277</u>
Total net position-end of year	<u><u>\$ 41,545,589</u></u>

The accompanying notes are an integral part of the basic financial statements.

Financial Section

**Wichita Public Schools
Unified School District No. 259
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2014**

	Internal Service Funds
Cash flows from operating activities:	
Cash received from services	\$ 60,249,962
Cash payments for claims	(66,330,058)
Net cash flow from operating activities	<u>(6,080,096)</u>
Cash flows from non-capital financing activities:	
Transfers from other funds	131,917
Net cash flow from non-capital financing activities	<u>131,917</u>
Cash flows from investing activities:	
Interest on investments	45,116
Net cash flow from investing activities	<u>45,116</u>
Net change in cash and cash equivalents	(5,903,063)
Cash and cash equivalents-beginning of the year	<u>59,514,777</u>
Cash and cash equivalents-end of the year	<u>\$ 53,611,714</u>
 Reconciliation of operating income to net cash flow from operating activities:	
Operating income (loss)	\$ (3,861,721)
Adjustments to reconcile operating income (loss) to net cash flow from operating activities:	
Change in accounts receivable	(1,927,070)
Change in accrued liabilities	(1,595,013)
Change in claims payable	1,303,708
Net cash flow from operating activities	<u><u>\$ (6,080,096)</u></u>

The accompanying notes are an integral part of the basic financial statements.

**Wichita Public Schools
Unified School District No. 259
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014**

	Employee Benefit Trust Funds	Agency Funds
Assets:		
Cash and cash equivalents	\$ 3,717,579	\$ 4,535,652
Certificates of deposit	19,520,000	-
Interest receivable	31,330	-
Total assets	<u>23,268,909</u>	<u>4,535,652</u>
Liabilities:		
Due to others	<u>-</u>	<u>4,535,652</u>
Total liabilities	<u>-</u>	<u>4,535,652</u>
Net Position:		
Held in trust for other employee benefits	<u>23,268,909</u>	<u>-</u>
Total net position	<u><u>\$ 23,268,909</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of the basic financial statements.

**Wichita Public Schools
Unified School District No. 259
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2014**

	Employee Benefit Trust Funds
Additions:	
Employer contributions	\$ 17,432,696
Retiree contributions	3,094,785
Interest income	30,452
Total additions	<u>20,557,933</u>
Deductions:	
Benefits	21,961,300
Administration	155,893
Total deductions	<u>22,117,193</u>
Change in net position	(1,559,260)
Net position - beginning of year	<u>24,828,169</u>
Net position - end of year	<u><u>\$ 23,268,909</u></u>

The accompanying notes are an integral part of the basic financial statements.

**WICHITA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 259**

NOTES TO THE FINANCIAL STATEMENTS

INDEX

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Reporting Entity
- B. Government-wide and Fund Financial Statements
- C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
- D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position
 - 1. Deposits and Investments
 - 2. Receivables
 - 3. Inventories
 - 4. Capital Assets
 - 5. Compensated Absences
 - 6. Long-Term Obligations
 - 7. Deferred Inflows of Resources/Deferred Outflows of Resources
 - 8. Fund Equity
 - 9. Net Position
 - 10. Estimates

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

- A. Budgetary Information

III. DETAILED NOTES ON DISTRICT ACCOUNTS

- A. Deposits and Investments
- B. Capital Assets
- C. Long-Term Debt
- D. Interfund Transfers
- E. Fund Balances

IV. OTHER INFORMATION

- A. Risk Management
- B. Environmental Matters
- C. Contingent Liabilities
- D. Construction Commitments and Encumbrances
- E. Defined Benefit Pension Plan
- F. Postemployment Healthcare Plan
- G. Other Employee Benefit Trust Funds
- H. Pending Governmental Accounting Standards
- I. Subsequent Events

**WICHITA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 259**

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Wichita Public Schools, Unified School District No. 259, (District) is organized under the laws of the State of Kansas (Kansas) and is governed by an elected seven-member board. Accounting principles generally accepted in the United States of America (GAAP) require these financial statements present the District (the primary government) and its component units. There are no component units for which the District is considered to be financially accountable.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements – The statement of net position and the statement of activities report information on all of the nonfiduciary activities of the primary government.

The effect of interfund activity has been eliminated from these statements unless immaterial.

The statement of net position presents the financial condition of the governmental activities of the District at year-end. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements – The fund financial statements include separate financial statements that are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

Expenditures in the financial statements are grouped by function. Following are descriptions of the District's functions.

Instruction – Activities dealing directly with the interaction between teachers and students, and contracted instructional services.

Student and Instruction Support – Activities designed to assess, improve the well-being of students, supplement the teaching process, and assist the instructional staff with learning experiences for students. Includes student attendance, social work, student substance abuse assistance, nursing, psychology, speech pathology, audiology, curriculum improvement, counseling and guidance services, and library and media costs.

Financial Section

Administration – Activities concerned with establishing and administering policy for the operation of the school district. Includes only Board of Education support staff, special education central-office costs, community relations, school administration, staff relations/union negotiations, the superintendent's staff, assistant superintendents, area directors, and the superintendent.

Operations and Maintenance – Activities concerned with the recruitment, hiring, and paying of staff. Includes the budgeting, purchasing, paying for, distributing, exchanging, and warehousing of goods and services. Also includes the Chief Financial Officer and business support costs such as printing and duplication, fiscal services, budgeting, payroll, and financial accounting. Includes other instructional and supporting services such as planning, research, development, evaluation, information, and data processing, in addition to, other supplemental services such as operations, maintenance, and security of schools and central office buildings including heating, lighting, ventilation, repair and maintenance of facilities, plus care and upkeep of grounds, equipment, and vehicles.

Student Transportation Services – Activities concerned with conveying students to and from school, as provided by State and Federal law, as well as District policy. This includes trips between home and school, and trips to and from school activities.

Nutrition Services – Activities concerned with providing food to students and staff in a school or local education agency. This service area includes preparing and serving regular and incidental meals, lunches, or snacks in connection with school activities and food delivery.

Facility Acquisition and Construction Service – Activities concerned with acquiring land and buildings, remodeling buildings, constructing buildings, additions to buildings, initially installing or extending service systems and other built-in equipment, and improving sites.

Debt Service – Servicing the debt of the local education agency, including payments of both principal and interest.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, except for agency funds, which have no measurement focus. All assets and liabilities associated with the operation of the District are included on the statement of net position. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the budget year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Financial Section

State aid is considered to be susceptible to accrual and so has been recognized as revenue of the current period. Entitlements are recorded as revenue when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants are recognized as revenues when the qualifying expenditures have been incurred and all other grant requirements have been met. Other receipts become measurable and available when cash is received by the government and is recognized as revenue at that time.

The District reports the following major governmental funds:

General fund – this is the District’s primary operating fund.

Special Education – used to account for programs which deliver educational services to special needs students. The primary revenues supporting this fund are from restricted federal grants and state aid restricted for this purpose.

State Intervention (K-12) – used to account for programs for the District’s population by providing educational opportunities and instructional services to assist in closing the achievement gap. The primary revenues supporting this fund are from state aid restricted for this purpose.

Bond Capital Projects – used to account for the acquisition or construction of major capital facilities funded from general obligation bond proceeds.

Capital Outlay – used to account for the acquisition and construction of major capital facilities other than those financed from general obligation bond proceeds.

Bond and Interest – used for payment of principal and interest on the District’s general obligation bonds when such bonds are outstanding.

Additionally, the District reports the following fund types:

Internal Service funds – these funds account for the District’s self-insurance programs provided to other departments or agencies of the government, on a cost reimbursement basis.

Fiduciary funds – the District has three agency funds which are used to account for assets held by the District as an agent for others. The funds include assets held for activities such as student organizations and athletics, funds held for employee payroll withholdings and flexible spending accounts. They are custodial in nature, and do not involve measurement of results of operations.

The District also has two employee benefit trust funds to account for activities related to the District’s other post-employment healthcare plan, and its early retirement incentive plan. The trusts accumulate resources for payment of benefits to qualified employees under each plan.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the District’s internal service funds are charges for insurance services. Operating expenses for internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use unrestricted resources first, then restricted resources as they are needed.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position

1. 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. Investments are reported at fair value based on quoted market prices.

The investments of proceeds of long-term debt are governed by specific statutes and 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

Investment agreements with a financial institution rated in the three highest rating categories by Moody's or Standard and Poor's.

Cash resources of the individual funds (except for the proceeds of general obligation bonds, which are separately invested) 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. Interest income earned is allocated to various funds based upon statutory requirements. Restricted cash and investments include the unspent proceeds from general obligation bond issues.

For purposes of the statement of cash flows, the District considers all investments by fund in the District's cash and investment pool to be cash equivalents.

2. Receivables

Taxes are assessed on a calendar-year basis and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all tax entities within the county. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. Tax installments paid to the County Treasurer in May are budgeted to finance the current year's operations and are distributed to the District prior to fiscal year end.

State statutes provide that in the month of June of each school year, payment (from the State to District) shall be made of the full amount of the general state aid for the year. The State did not make the final state aid payment of \$30,325,671 for the fiscal year ended June 2014 until July 2014. The District was instructed by the State to record the final payment as though it had been received on June 30, 2014. This receipt was recorded for the budgetary basis; however it was recorded as a receivable by the General and Supplemental General Funds for the government-wide and fund financial statements.

3. Inventories

Inventories of supplies are stated at cost using the standard cost method. Inventories in the general fund consist of educational and maintenance supplies. Inventories in the special revenue funds are food supplies. The purchase method is used to account for governmental fund type inventories. Under the purchase method, inventories are recorded as expenditures when purchased; however, material amounts of inventories are reported as assets of the respective fund. Reported inventories in these funds are equally offset by the nonspendable fund balance category, which indicates they are unavailable for appropriation even though they are a component of reported assets. Textbooks are expensed at the time of purchase and equally offset by the textbook rental fund. On hand quantities of textbooks are tracked internally, and a replacement value for textbooks is established using the "purchasing list price" of the textbook multiplied by the on hand quantity.

4. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their estimated fair values as of the date received. The District maintains a capitalization threshold of \$2,000 for regular capital assets, \$100,000 for special assessments and \$1,000,000 for other intangibles. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Asset Class	Estimated Useful Lives
Buildings	40-50 years
Building Improvements	5-30 years
Land Improvements	10-30 years
Machinery and Equipment	5-20 years
Intangibles	20-50 years

5. Compensated Absences

The District annually grants employees temporary leave, the amount of which varies with the classification of the employee. All vacation days accrue monthly. As of June 30 each year, vacation in excess of 40 days is converted to temporary leave for purposes of any future severance pay computation. Temporary leave, which consists primarily of sick and personal leave, is allowed to accrue without limit. Upon separation from the District, unused accrued vacation leave up to 20 days is paid on the basis of current salary. An employee who dies or who retires or resigns honorably after reaching age 55 or completing 5 years of employment is eligible for a severance payment. The severance payment is paid at a rate of \$3.75 per unused accrued temporary leave hour and unused accrued vacation leave hours in excess of 20 days. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

6. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

7. Deferred Inflows of Resources/Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue – receivables*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: Medicaid reimbursement and federal interest subsidy. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

8. Fund Equity

As prescribed by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, governmental funds report fund balance classifications based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

In the governmental funds, equity is shown as fund balance and classified into five components:

- (1) Nonspendable: Assets that are not in spendable form (such as inventory).
- (2) Restricted: Amounts with externally imposed constraints, such as those mandated by creditors, grantors, contributors, or laws and regulations. Such constraint is binding unless modified or rescinded by the applicable external body, laws or regulations.
- (3) Committed: Amounts with a purpose formally imposed by resolution of the Board of Education; binding unless modified or rescinded by the Board of Education.
- (4) Assigned: The Board of Education adopted board policy P3414 authorizing the Board of Education or Chief Financial Officer to assign fund balance. Encumbrances shall be considered assigned unless they specifically meet the requirements to be restricted or committed.

- (5) Unassigned: All amounts not included in the other classifications.

The District considers unrestricted amounts to be spent prior to restricted amounts when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used (committed, assigned or unassigned), the District considers committed amounts to be spent first, followed by assigned and then unassigned amounts.

9. *Net Position*

Net position represents the difference between assets and liabilities. *Net investment in capital assets*, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as *restricted* when there are limitations imposed on the use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted resources are used first to fund appropriations.

10. *Estimates*

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect: (1) the reported amounts of assets and liabilities, (2) disclosures such as contingencies, and (3) the reported amounts of revenues and expenses included in such financial statements. Actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Kansas statutes require budgets be adopted for all funds, unless exempted by a specific statute. The statutes provide for the following sequence and timetable in the adoption of the legal budget.

1. Preparation of the budget for the current 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 25 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 September 20 of the budget year was not known at the time of budget adoption, an estimated number was used. If the estimate is too low, the Board of Education is allowed by statute to increase the general fund budget to the actual amount after following the procedures for publication and public hearing as outlined above. For the current year, the estimated general fund budget was too low due to an increase in low income and non-English speaking students.

Kansas statutes limit the supplemental general fund budget to a percentage of the general fund budget. However, once adopted, the supplemental general fund budget may not be increased. For the year ended June 30, 2014, the adopted supplemental general fund budget was not changed. The District's legal level of budget control is at the fund level. Kansas statutes allow for the governing body to increase the original adopted budget for previously unbudgeted increases in revenue other

Financial Section

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.

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 annual operating budgets are prepared using the statutory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end. Encumbered appropriations are not reappropriated in the ensuing year's budget but are carried forward until liquidated or canceled. Accordingly, the data presented in the budgetary comparison statements differ from the data presented in the financial statements prepared in accordance with GAAP.

A legal operating budget is not required for the internal service funds, the agency funds and the following funds:

General fund subfunds:

- Supplemental grants – state and local
- Contingency reserve

Special revenue funds:

- Athletic activity
- Student material revolving
- Supplemental grants - federal
- Textbook rental
- Music rental

Capital project funds:

- Bond capital projects

The spending in funds which are not subject to legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the Board. The State of Kansas allows spending above legal operating budgets by amounts received from unbudgeted grants and reimbursements.

The Legislature of the State of Kansas passed a bill allowing school districts to expend the unencumbered balance of the moneys held in various funds, subject to certain limitations outlined in the bill. Unencumbered cash balances in the following funds may be used: Special Education, State Intervention (K-12), 4-Year Old State Intervention, Bilingual Education, Contingency Reserve, Driver Education, Parents as Teachers, Professional Development, Summer School, Textbook Rental, Athletic Activity, Music Rental, Student Material Revolving, Virtual Education, and Vocational Education. 100% of unencumbered cash balances may be used from these fifteen funds, except for the Special Education, Textbook Rental, Athletic Activity, Music Rental and Student Material Revolving funds, from which only one-third of the balances may be used. Additionally, the amount of money expended by a district in the school year 2013-2014 from unencumbered cash balances shall not exceed, in the aggregate, an amount determined by the state board of education based on a district's enrollment multiplied by the difference between \$4,012 and the prior year's base state aid

per pupil of \$3,838. Based on this calculation, the maximum amount the District could have spent for 2013-2014 from these unencumbered cash balances was \$18,448,875. The board did not approve any spending under this bill.

III. DETAILED NOTES ON DISTRICT ACCOUNTS

A. Deposits and Investments

Custodial Credit Risk. For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the 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. As of June 30, 2014, District deposits were not exposed to custodial credit risk since all were either covered by federal depository insurance or the collateral was held by the District's agent in the District's name. The District does not have a formal policy regarding custodial credit risk, though it follows Kansas statutes, which require that deposits be secured 100%, and investments be perfected in the name of the investing entity and be delivered to a third-party custodian. None of the District's investments were exposed to custodial credit risk as they were being held by the proper third party custodian.

Credit Risk. State law limits the types of investments that the District may make (see Note I.D.1). The District's investment policy does not add any further limitations. As of June 30, 2014, the securities underlying the District's repurchase agreements include FNMA government agency securities rated AA+ by standard and Poor's. Other investments in U.S. agency obligations not directly guaranteed by the U.S. government were rated AA+ by Standard and Poor's as of June 30, 2014.

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 has concentrations of investments as of June 30, 2014, as follows:

<u>Investments</u>	<u>Percentage of Investments</u>
FHLB	7%
FNMA	11%
FHLMC	31%

Interest Rate Risk. State law and the District's investment policy limit investments in U.S. Treasury bills or notes to those with maturities not exceeding two years. District policy also states that portfolio maturities shall be staggered in a way that avoids undue concentration of assets in a specific maturity sector, and that the investment portfolio shall remain sufficiently liquid to enable the District to meet all operating requirements which might reasonably be anticipated.

As of June 30, 2014, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>		
	<u>Fair Value</u>	<u>Less than 1</u>	<u>1-5</u>
Repurchase agreements	\$ 6,000,000	\$ 6,000,000	\$ --
U.S. Government agencies	18,957,822	17,456,847	1,500,975
Kansas Municipal Investment Pool	6	6	--
Treasury obligation mutual bond funds	10,439,039	10,439,039	--
Total	<u>\$ 35,396,867</u>	<u>\$ 33,895,892</u>	<u>\$ 1,500,975</u>

Financial Section

Deposits and investments at June 30, 2014 appear in the financial statements as summarized below:

Carrying amount of deposits	\$ 269,102,694
Carrying amount of investments	<u>35,396,867</u>
Total	<u>\$ 304,499,561</u>
Cash and investments - governmental funds, balance sheet	\$ 223,114,616
Cash and investments - internal service funds, statement of net position	<u>53,611,714</u>
Cash and investments - governmental activities statement of net position	276,726,330
Cash and investments - fiduciary funds	<u>27,773,231</u>
Total	<u>\$ 304,499,561</u>

B. Capital Assets

Capital asset activity for the year ended June 30, 2014 was as follows:

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 22,702,050	\$ --	\$ 406,987	\$ 22,295,063
Construction in progress	<u>32,249,236</u>	<u>43,045,802</u>	<u>54,392,485</u>	<u>20,902,553</u>
Total capital assets, not being depreciated	<u>54,951,286</u>	<u>43,045,802</u>	<u>54,799,472</u>	<u>43,197,616</u>
Capital assets, being depreciated:				
Buildings and improvements	834,695,039	62,063,269	6,894,659	889,863,649
Machinery and equipment	29,583,616	4,385,528	1,402,943	32,566,201
Land improvements	34,474,442	3,350,543	36,125	37,788,860
Intangibles	<u>2,857,511</u>	<u>--</u>	<u>--</u>	<u>2,857,511</u>
Total capital assets being depreciated	<u>901,610,608</u>	<u>69,799,340</u>	<u>8,333,727</u>	<u>963,076,221</u>
Less accumulated depreciation for:				
Buildings and improvements	228,566,104	26,434,810	3,631,895	251,369,019
Machinery and equipment	17,351,755	2,426,313	1,131,869	18,646,199
Land improvements	10,622,162	1,326,899	21,797	11,927,264
Intangibles	<u>129,467</u>	<u>111,006</u>	<u>--</u>	<u>240,473</u>
Total accumulated depreciation	<u>256,669,488</u>	<u>30,299,028</u>	<u>4,785,561</u>	<u>282,182,955</u>
Total capital assets, being depreciated, net	<u>644,941,120</u>	<u>39,500,312</u>	<u>3,548,166</u>	<u>680,893,266</u>
Governmental activities capital assets, net	<u>\$ 699,892,406</u>	<u>\$ 82,546,114</u>	<u>\$ 58,347,638</u>	<u>\$ 724,090,882</u>

Financial Section

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
Instruction	\$ 28,270,650
Student and Instructional Support	48,121
Administration	10,861
Operations and Maintenance	1,706,027
Transportation	10,487
Nutrition Services	252,882
Total depreciation expense – governmental activities	<u>\$ 30,299,028</u>

On the Statement of Activities, charges for services – instruction includes insurance recoveries of \$3,247,857 and an impairment loss of \$500,098 for a net gain of \$2,747,759 as a result of a fire at a school building during the year ended June 30, 2014.

C. Long-Term Debt

Long-term liability activity for the year ended June 30, 2014 was as follows:

	Balance June 30, 2013	Additions	Reductions	Balance June 30, 2014	Due within one year
General obligation bonds	\$ 438,985,000	\$ 49,340,000	\$ 17,715,000	470,610,000	\$ 19,450,000
Early retirement program	35,768,274	17,487,605	13,388,607	39,867,272	15,297,740
Compensated absences	11,098,000	16,989,000	16,971,000	11,116,000	741,045
Premium on bonds	11,985,041	6,179,106	3,071,335	15,092,812	3,043,639
Discount on bonds	(19,186)	--	(2,575)	(16,611)	(2,424)
Environmental liability	873,000	--	200,600	672,400	247,400
Claims payable	11,436,830	59,865,626	58,561,918	12,740,538	7,620,710
OPEB	8,113,904	6,076,742	2,717,905	11,472,741	--
Total	<u>\$ 518,240,863</u>	<u>\$ 155,938,079</u>	<u>\$ 112,623,790</u>	<u>\$ 561,555,152</u>	<u>\$ 46,398,110</u>

Compensated absences and the early retirement program are liquidated by the fund where each employee's regular salary is charged (primarily the General Fund and various special revenue funds). The environmental liability will be liquidated primarily with funds from the Special Liability Expense Fund. The OPEB liability will be liquidated by the Retiree Health Benefits Trust Fund as discussed in Note IV.F.

General Obligation Bonds. On May 27, 2009, the District issued \$58,760,000 in General Obligation Refunding and School Building Bonds with interest rates with an average yield of 3.35% due October 1, 2021, and \$132,500,000 in Taxable General Obligation School Building bonds (Build America Bonds), with a taxable interest rate of 6.22% (32% of interest cost is subsidized by the federal government) due October 1, 2028. The bond proceeds were used to construct, furnish, and equip new school facilities and make additions and improvements to existing school facilities throughout the District. The debt service requirements for general obligation bonds are being paid with property tax revenues.

On December 15, 2009, the District issued \$32,000,000 in General Obligation School Building Bonds (Qualified School Construction – Tax Credit Bonds), with a federal bond holder tax credit rate of 5.90% and a District funded supplemental coupon of 1.35% due September 15, 2026. The bond proceeds

Financial Section

were used to fund certain school building improvement projects throughout the District. The debt service requirements for general obligation bonds are being paid with property tax revenues. The Qualified School Construction bonds are not subject to optional or mandatory sinking fund redemption prior to their stated maturity date. However, the District is required to set aside deposits for payment of the bonds, in annual amounts of \$2,000,000 beginning September 15, 2012. Such funds will be applied to payment of the principal amount of the bonds at maturity. As of June 30, 2014, this sinking fund had a balance of \$4,000,487, which is recorded as restricted cash in the Bond and Interest Fund.

On March 3, 2010, the District issued \$6,450,000 in General Obligation Refunding Bonds, with interest rates from 2 – 4% and an average yield of 1.84% due October 1, 2015, and \$100,000,000 in Taxable General Obligation School Building Bonds (Build America Bonds), with taxable interest rates from 5.10 – 5.39% (32% of interest costs is subsidized by the federal government) due October 1, 2025. The debt proceeds were used to construct, furnish, and equip new school facilities and make additions and improvements to existing school facilities throughout the District. The debt service requirements for general obligation bonds are being paid with property tax revenues.

On October 1, 2013, the District issued \$49,340,000 in General Obligation Refunding and School Building Bonds with interest rates with an average yield of 1.72% due October 1, 2022. The bond proceeds will be used to construct, furnish, and equip new school facilities and advance refund \$500,000 of the Series 2009 bonds. The net proceeds related to the advance refunding of the Series 2009 bonds of \$592,979 were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the Series 2009 bonds. As a result, a portion of the Series 2009 bonds is considered to be defeased and the liability for those bonds has been removed from the government-wide statement of net assets. The District completed the refunding to reduce its total debt service payments by \$21,393 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of \$25,277.

As of June 30, 2014, \$500,000 of advance refunded bonds has not been called.

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 19,450,000	\$ 22,617,758
2016	20,775,000	21,736,866
2017	21,915,000	20,831,325
2018	23,085,000	19,906,713
2019	24,225,000	18,930,431
2020 – 2024	140,660,000	76,984,919
2025 – 2029	220,500,000	28,872,150
Total	<u>\$ 470,610,000</u>	<u>\$ 209,880,162</u>

Early Retirement Incentive Program. At the discretion of the Board of Education, the District offers a voluntary early retirement incentive program. The District follows GASB 47, *Accounting for Termination Benefits*, in recognizing and reporting the liability related to the early retirement incentive. Eligible employees are those who have been employed by the District in a permanent position for 15 or more years, are at least age 50 when they retire, and have an effective hire date prior to July 1, 1996. Benefits at attaining age 60 are based on the retiree's final average salary used by the Kansas Public Employees Retirement System (KPERS), a 1.4% multiplier for all years of participating service credit with KPERS, and the total number of years of credited KPERS service (excluding any purchased or repurchased years), paid in not more than 60 monthly payments. The benefits also include an amount equal to the amount of the social security benefit the retiree would have been eligible to receive if the

Financial Section

employee were age 62, paid in not more than 24 monthly payments. This benefit will be reduced by 5% for each year by which the employee's years of qualified service are less than 20. At year-end, there are 588 retirees receiving benefits.

For the year ended June 30, 2014, the District paid \$16,590,929 in benefits. The liability for the early retirement program includes the expected cash outflows related to future benefit payments, discounted at 4.50%.

This program is primarily funded on a pay-as-you-go basis, with costs expended as paid. In June 2011, the District established an employee benefit grantor revocable trust for employer contributions to fund benefits paid under the program. The District made an initial contribution of \$13,363,566 in June 2011. Effective January 1, 2012, the trust was changed to become a qualified irrevocable trust under Section 401(a) of the Internal Revenue Code. Since trust assets are to be retained for the exclusive benefit of participants under the trust, assets held in the trust as of June 30, 2014 were recorded as a reduction to the liability and additional contributions made during 2014 are included with "Reductions" on the Long-Term Debt table at the beginning of this section. Contributions will continue to be made on a pay-as-you-go basis, and any additional employer contributions to the trust are at the sole discretion of the District.

D. Interfund Transfers

A summary of interfund transfers by fund type for the year ended June 30, 2014 is as follows:

	Transfer to:				
	Special Education	Capital Project	Nonmajor Governmental	Internal Service	Total
Transfer from:					
General fund	\$ 42,175,367	\$ 4,888,435	\$ 12,914,921	\$ 131,917	\$ 60,110,640
Total	\$ 42,175,367	\$ 4,888,435	\$ 12,914,921	\$ 131,917	\$ 60,110,640

Transfers are used primarily to move revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

E. Fund Balances

A summary of the components of fund balance, by purpose, is as follows:

	General	Special Education	State Intervention	Bond Capital Projects	Capital Outlay	Bond and Interest	Nonmajor Governmental	Total
Nonspendable:								
Inventory	\$ 1,027,783	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 1,604,162	\$ 2,631,945
Restricted for:								
Instruction	--	--	666,736	--	--	--	9,823,735	10,490,471
Facilities	--	--	--	91,707,367	31,753,247	--	6,797	123,467,411
Debt Svc	--	--	--	--	--	32,116,572	--	32,116,572
Spec Ed	--	11,164,889	--	--	--	--	--	11,164,889
Nutrition	--	--	--	--	--	--	13,697,975	13,697,975
Fed & State	984,780	--	--	--	--	--	20,856	1,005,636
Assigned to:								
Instruction	6,687,905	--	--	--	--	--	--	6,687,905
Unassigned	20,329,041	--	--	--	--	--	(289)	20,328,752
Total	\$ 29,029,509	\$ 11,164,889	\$ 666,736	\$ 91,707,367	\$ 31,753,247	\$ 32,116,572	\$ 25,153,236	\$ 221,591,556

IV. OTHER INFORMATION

A. Risk Management

The District has adopted self-insurance programs for workers' compensation, short-term disability, health, pharmacy and dental. Liabilities are reported when it is probable a loss has occurred and the amount can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The District uses internal service funds to account for this activity. Each program is funded by a monthly contribution made by the District for each eligible employee. Contribution amounts are determined by the District and the insurance carrier for the District's stop loss policy, if applicable. There have been no settlements in excess of insurance coverage during any of the prior three years. There have been no significant reductions in insurance coverage from the prior year in any category below.

Health Care. All employees who are benefited, active employees working at least half-time for the District, are eligible for health, pharmacy and dental benefits. Health, prescription and dental benefits are provided through a self-funded program to District employees and all eligible dependents. The District's annual liability for benefits is limited to \$500,000 per individual claim by a specific stop loss policy. There is no aggregate stop loss policy.

Short-Term Disability. The District provides disability benefits covering employees working in a benefited position at least half-time. Short term disability benefits for certificated employees are provided for disabilities resulting from occupational or non-occupational illnesses and injuries at a rate of 70% of the employee's regular daily rate. Short-term disability benefits for classified employees are provided for disability resulting from non-occupational illness at a rate of 70% of the employee's regular hourly rate of pay. Benefits are provided for a maximum of 180 calendar days from the beginning date of the disability. The outstanding claims liability is calculated from historical data and future expectations. This liability includes an estimated liability for known claims as well as estimated liability for claims incurred but not reported. Short-term disability coverage for classified employees has been reduced from prior years through negotiation to eliminate the 70% coverage for occupational injuries, which are instead covered under workers' compensation.

Workers' Compensation. Workers' compensation benefits are provided for medical expenses and indemnity resulting from occupational illness or accidental injury to all employees under the Kansas Workers Compensation Act. Benefits are paid according to Kansas statute governing workers compensation benefits and are self-funded by the District. The District's liability for benefits is limited by a specific stop loss policy of \$500,000 per claim. The District pays an annual assessment fee to the State of Kansas for the state insurance fund and an assessment for the operation of the Division of Workers Compensation in the Kansas Department of Labor. The outstanding claims liability is calculated from historical data and case reserves set by District staff, and evaluated by an independent actuarial opinion. This includes an estimated liability for known claims as well as an estimated liability for claims incurred but not reported (IBNR). These limits are the same as for the prior year.

Risk Management. The District has a self-insurance program to provide legal defense and pay claims against the Board of Education when an incident occurs during the course of employment. There is a \$500,000 limitation for Kansas claims based on government immunity law. The deductible portion of the property and casualty, general liability, automobile, and aviation premiums are paid from the risk management fund. This limit is the same as for the prior year.

Financial Section

Changes in the claims liabilities during the past two years are as follows:

	<u>Health Care</u>	<u>Disability Reserve</u>	<u>Workers' Compensation</u>	<u>Risk Management</u>
Unpaid claims, June 30, 2012	\$ 3,631,000	\$ 70,000	\$ 7,174,902	\$ --
Incurred claims (including IBNR)	43,471,199	728,910	1,576,380	2,172,888
Claims payments	<u>(43,761,199)</u>	<u>(726,910)</u>	<u>(727,452)</u>	<u>(2,172,888)</u>
Unpaid claims, June 30, 2013	3,341,000	72,000	8,023,830	--
Incurred claims (including IBNR)	52,155,415	705,556	186,565	6,818,090
Claim payments	<u>(50,452,415)</u>	<u>(703,556)</u>	<u>(587,857)</u>	<u>(6,818,090)</u>
Unpaid claims, June 30, 2014	<u>\$ 5,044,000</u>	<u>\$ 74,000</u>	<u>\$ 7,622,538</u>	<u>\$ --</u>

B. Environmental Matters

An area near the District's School Service Center has been designated by the Kansas Department of Health and Environment (KDHE) as a groundwater contamination site. As a result of that contamination, the District entered into an agreement with KDHE to perform a Remediation Investigation and Feasibility Study (RI/FS) to investigate the contamination and develop a clean-up plan. The District has recently revised the Feasibility Study and Remediation Plan with the assistance of GeoSyntech, an environmental consulting and remediation company. The revised plan, approved by KDHE, is currently being implemented. While the revised Feasibility Study and remedial measures progress, the District is required to perform semi-annual monitoring of the groundwater. The present value of the costs required for the Feasibility Study, monitoring activities, and interim remedial measures is estimated at \$672,400. This amount has been recorded with long-term debt on the statement of net position and is based on engineering estimates and actual costs incurred. Until the Remediation Plan developed through the Feasibility Study has been completed, it is not yet possible to estimate the District's ultimate cost for clean-up of the site. There are no anticipated recoveries on this project.

C. Contingent Liabilities

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's counsel that resolution of these matters will not have a materially adverse effect on the financial condition of the District.

D. Construction Commitments and Encumbrances

As of June 30, 2014, the District has outstanding construction commitments of \$14,132,012 under its current general obligation bond projects to construct, furnish, and equip new school facilities and make additions and improvements to existing school facilities throughout the District. This amount is reflected as reserve for encumbrances in the bond capital projects fund. Listed below are all encumbrances for the District:

General	\$ 4,685,156
Special Education	186,790
State Intervention	56,462
Bond Capital Projects	14,132,012
Capital Outlay	9,035,751
Nonmajor Governmental	<u>6,029,945</u>
Total	<u>\$ 34,126,116</u>

E. Defined Benefit Pension Plan

Plan Description. The District contributes to the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 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. 74-49,210 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 6% of covered salary for Tier 2 members through December 31, 2013. On January 1, 2014, Kansas law increased the KPERS member-employee contribution rate to 5% of covered salary for Tier 1 members; however, the Tier 2 member-employee contribution rate remained at 6% of covered salary. Member employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

The State of Kansas is required to contribute the statutory required employer's share. The State of Kansas contributed 11.12% of covered payroll for the year ended June 30, 2014. The State of Kansas' contributions to KPERS for District employees for the years ended June 30, 2012, 2013 and 2014 were \$27,143,675, \$29,514,193 and \$33,625,196, respectively, equal to the statutory required contributions each year. These contributions are recognized as revenues and expenditures in KPERS Retirement Contributions Fund. KPERS had no investments in the District's debt securities. Ten-year historical trend information showing KPERS' progress in accumulating sufficient assets to pay benefits when due is presented in KPERS' June 30, 2014 financial report.

F. Postemployment Healthcare Plan

Wichita Public Schools Post-Retirement Benefits Plan (the Plan) is a single-employer defined benefit healthcare plan administered by the Wichita Public Schools No. 259 (the District). The Plan does not issue a stand-alone audited GAAP basis financial report.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting. The Plan's financial statements (as reported in the Retiree Benefit Trust fiduciary fund) are prepared using the accrual basis of accounting. Employer contributions are recognized in the period in which the contributions are due and payable in accordance with the terms of the Plan. Benefits are recognized when due and payable in accordance with the terms of the Plan.

Method Used to Value Investments. Investments are reported at fair value based on quoted market prices. Investments that do not have an established market are reported at their estimated fair value. At June 30, 2014, investments consist of certificates of deposit.

Plan Description and Contribution Information

Plan Description. The Plan provides healthcare benefits, including medical, dental, vision and life, to retirees. Retiree health coverage is provided for under K.S.A. 12-5040. Employees who retire on or after age 55 with at least 10 years of cumulative service with the District and 10 years of vested

Financial Section

service under Kansas Public Employee Retirement System (KPERS) are eligible for benefits. If a participant was hired before July 1, 1996, then the participant can access the plan if retirement is on or after age 50 with 15 years of service with the District. Retirees and spouses have the same benefit as active employees. Retiree coverage terminates either when the retiree becomes covered under another employer health plan, or when the retiree reaches the Medicare eligibility age which is currently age 65. Spousal coverage is available until the retiree becomes covered under another employer health plan, attains Medicare eligibility age, or dies.

Membership of the Plan consisted of the following at July 1, 2013, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	1,056
Active plan members	6,493
Total	<u>7,549</u>

Contributions. As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. The funding policy of the District is to pay premiums as they come due. The contribution requirements of Plan members and the District are established and may be amended by the Board of Education. The required contribution is based on projected pay-as-you-go financing requirements. District retirees pay 100% of their premiums; the District is not required to share costs of retiree premiums. Administrative costs of the Plan are financed by the premiums paid into the Retiree Benefit Trust fund.

In June 2011, the District established an irrevocable trust for the exclusive benefit of providing funds to pay benefits under the Plan. The District made an initial contribution of \$10 million to the trust in June 2011 to pre-fund benefits. Additional employer contributions to the trust are at the sole discretion of the District. Pay-as-you-go contributions and corresponding benefit payments began to be reported in the Retiree Benefit Trust fund effective July 1, 2011.

Funded Status and Funding Progress

Annual OPEB Cost and Net OPEB Obligation. The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statements 43 and 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the actuarial amount contributed to the plan, and changes in the District's net OPEB obligation to the Plan:

Annual required contribution	\$ 6,222,117
Interest on net OPEB obligation	365,126
Adjustment to annual required contribution	<u>(510,501)</u>
Annual OPEB cost (expense)	6,076,742
Contributions made	<u>(2,717,905)</u>
Increase in net OPEB obligation	3,358,837
Net OPEB obligation – beginning of year	8,113,904
Net OPEB obligation – end of year	<u>\$ 11,472,741</u>

Financial Section

The district's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation were as follows for the most recent three fiscal years:

Fiscal Year <u>Ended</u>	Annual <u>OPEB Cost</u>	Percentage of Annual OPEB <u>Cost Contributed</u>	Net OPEB <u>Obligation</u>
6/30/14	\$ 6,076,742	44.7%	\$11,472,741
6/30/13	\$ 5,945,916	47.4%	\$ 8,113,904
6/30/12	\$ 5,753,987	39.2%	\$ 4,985,868

As of July 1, 2013, the most recent actuarial valuation date, the Plan was partially funded. The actuarial accrued liability for benefits was \$54.8 million, and \$10 million of actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$44.8 million, and a funded ratio of 18.3 percent. The covered payroll (annual payroll of active employees covered by the Plan) was \$278.8 million, and the ratio of the UAAL to the covered payroll was 16.1 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive Plan (the Plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to that point.

In the July 1, 2013, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the District's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 7.5 percent initially, reduced to an ultimate rate of 5 percent after six years. Both rates included a 2.5 percent inflation assumption. The UAAL is being amortized as a level dollar of projected payroll on a closed basis. The remaining amortization period at July 1, 2013, ranged twenty-four years on the original base to thirty years on amounts added in 2013. Actuarial methods and assumptions used includes techniques that are consistent with the long-term perspective of the calculations.

G. Other Employee Benefit Trust Funds

The District has two trust funds which include assets held for other postemployment health care benefits and early retirement incentives. Listed below are condensed financial statements for both trusts.

Financial Section

	Early Retirement Incentive Plan Trust	Retiree Benefit Trust	Totals
Total assets	\$ 13,220,550	\$ 10,048,359	\$ 23,268,909
Total liabilities	-	-	-
Net position	<u>\$ 13,220,550</u>	<u>\$ 10,048,359</u>	<u>\$ 23,268,909</u>
Additions	\$ 15,002,363	\$ 5,555,570	\$ 20,557,933
Deductions	16,590,929	5,526,264	22,117,193
Change in net position	(1,588,566)	29,306	(1,559,260)
Beginning net position	14,809,116	10,019,053	24,828,169
Ending net position	<u>\$ 13,220,550</u>	<u>\$ 10,048,359</u>	<u>\$ 23,268,909</u>

H. Pending Governmental Accounting Standards

The effect on the District's financial statements of the following statements issued, but not yet adopted, has not yet been determined.

GASB Statement No. 68, Accounting and Financial Reporting for Pensions, was issued in June 2012. This statement establishes accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This statement replaces the requirements of Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, as well as the requirements of Statement No. 50, Pension Disclosures, as they relate to pensions that are provided through pension plans administered as trusts or equipment arrangements that meet certain criteria. Also, this statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For example, cost-sharing employers participating in KPERS, such as the District, will be required to record their proportionate share, as defined in Statement No. 68, of the KPERS unfunded pension liability. While management of the District has not yet estimated their share of the KPERS liability, it is presumed that the amount will be material to the District's financial statement. The provisions of this statement are effective for financial statements for the District's fiscal year ending June 30, 2015.

GASB Statement No. 69, Government Combinations and Disposals of Government Operations, was issued in January 2013. This statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. This statement also provides guidance for transfers of operations that do not constitute entire legally separate entities and in which no significant consideration is exchanged. This statement requires disclosures to be made about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and financial effects of those transactions. The provisions of this statement are effective for financial statements for the District's fiscal year ending June 30, 2015 with earlier application encouraged.

GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date, was issued in November 2013. The objective of this statement is to address an issue regarding application of the transition provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions. Under Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources

related to pensions, paragraph 137 of Statement 68 required that beginning balances of deferred outflows and inflows of resources not be reported. This statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. The provisions of this statement should be applied simultaneously with the provisions of Statement 68.

I. Subsequent Events

In December 2014, the Board of Education approved the sale of the land and building which houses the District's administrative offices for \$1.2 million. The net book value of the property is \$4.9 million, which will result in a loss in FY'15 of \$3.7 million.

Required Supplementary Information





**WICHITA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 259****REQUIRED SUPPLEMENTARY INFORMATION****OTHER POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS**

June 30, 2014

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll ((b-a)/c)
07/01/13	\$10,019,053	\$ 54,775,634	\$ 44,756,581	18.3%	\$ 278,817,461	16.1%
07/01/11	\$10,000,000	\$ 50,548,903	\$ 40,548,903	19.8%	\$ 277,798,463	14.6%
07/01/09	--	\$ 41,784,080	\$ 41,784,080	0%	\$ 292,212,520	14.3%

Schedule of Employer Contributions*

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2014	\$6,222,117	43.7%
2013	\$6,038,230	46.7%
2012	\$5,791,289	39.0%

*The District created an employee benefit trust in June 2011. Prior to June 2011, the Plan was administered through the Health Care internal service fund, and did not have its own Statement of Plan Net Assets and Statement of Changes in Plan Net Assets. Activity related to employee and employer contributions and the payment of benefits started being recognized as additions / deductions to the trust's net assets starting in fiscal 2012.

**WICHITA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 259**

REQUIRED SUPPLEMENTARY INFORMATION

**OTHER POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS**

June 30, 2014

Note 1 Significant Factors Affecting Trends in Actuarial Information

Changes in the Actuarial Accrued Liability for the valuation completed at July 1, 2013 are primarily due to:

- The health care trend rates were changed to better anticipate short term and long term medical increases.
- The mortality table was updated to reflect the projection of 2000 rates to 2013 based on actuarial literature.
- Future classified retirees are assumed to elect a \$30,000 life insurance policy instead of a \$40,000 policy. This change better reflects actual plan experience.
- For current retirees, the actual spouses' birth dates provided by the District were used, when available, instead of using the three year age difference assumption.

Financial Section

Wichita Public Schools Unified School District No. 259 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual General Fund Year ended June 30, 2014

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ 44,564,587	\$ 44,564,587	\$ 45,836,215	\$ 1,271,628
Intergovernmental - State	280,998,404	285,386,084	284,130,182	(1,255,902)
Other	-	-	507,379	507,379
Total revenue	325,562,991	329,950,671	330,473,776	523,105
Expenditures:				
Current:				
Instruction	117,367,891	121,684,423	107,530,440	(14,153,983)
Student and instructional support	24,127,638	24,127,638	24,849,501	721,863
Administration	32,511,001	32,511,001	31,979,762	(531,239)
Operations and maintenance	37,533,735	37,533,735	38,060,865	527,130
Student transportation service	6,000	6,000	226,905	220,905
Total expenditures	211,546,265	215,862,797	202,647,473	(13,215,324)
Revenue over expenditures	114,016,726	114,087,874	127,826,303	13,738,429
Other financing sources (uses):				
Transfer out	(114,132,214)	(114,203,362)	(127,418,686)	13,215,324
Total other financing sources (uses)	(114,132,214)	(114,203,362)	(127,418,686)	13,215,324
Revenues and other financing sources over (under) expenditures and other uses	(115,488)	(115,488)	407,617	523,105
Fund balances at beginning of year	111,762	111,762	111,762	-
Fund balances at end of year	\$ (3,726)	\$ (3,726)	\$ 519,379	\$ 523,105

Explanation of difference between budgetary and GAAP fund balances:

Separately budgeted general fund subfunds:	
Supplemental General, including \$3,979,531 of encumbrances	8,543,904
Professional Development, including \$10,999 of encumbrances	10,999
Non-budgeted general fund subfunds:	
Contingency Reserve	14,873,751
Supplemental Grants - State and Local, including \$16,409 of encumbrances	3,375,476
Encumbrances for equipment and supplies ordered but not received are not reported for GAAP purposes until received.	678,217
Inventory purchases are outflows of budgetary resources but are not expenditures for GAAP.	1,027,783
GAAP fund balance at end of year	\$ 29,029,509

Financial Section

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Special Education Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Intergovernmental - Federal	\$ 20,600,000	\$ 20,600,000	19,728,397	\$ (871,603)
Other	30,000	36,012	550,948	514,936
Total revenues	20,630,000	20,636,012	20,279,345	(356,667)
Expenditures:				
Current:				
Instruction	63,883,517	63,883,517	62,163,248	(1,720,269)
Student and instructional support	23,733,012	23,733,012	24,745,631	1,012,619
Administration	2,715,975	2,715,975	2,569,992	(145,983)
Operations and maintenance	3,503,850	3,503,850	3,688,816	184,966
Student transportation service	11,104,703	11,104,703	11,660,719	556,016
Total expenditures	104,941,057	104,941,057	104,828,406	(112,651)
Revenues over (under) expenditures	(84,311,057)	(84,305,045)	(84,549,061)	(244,016)
Other financing sources (uses):				
Transfers in	73,288,654	73,288,654	84,323,252	11,034,598
Total other financing sources (uses)	73,288,654	73,288,654	84,323,252	11,034,598
Revenues and other financing sources over (under) expenditures and other uses	(11,022,403)	(11,016,391)	(225,809)	10,790,582
Fund balances at beginning of year	11,074,130	11,074,130	11,074,130	-
Fund balances at end of year	\$ 51,727	\$ 57,739	\$ 10,848,321	\$ 10,790,582

Explanation of difference between budgetary and GAAP fund balances:

Encumbrances for equipment and supplies ordered but not received are not reported
for GAAP purposes until received.

186,790

Intergovernmental revenues earned but not received are reported as revenues
for GAAP purposes.

129,778

GAAP fund balance at end of year

\$ 11,164,889

Financial Section

Wichita Public Schools Unified School District No. 259 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual State Intervention Fund (K-12) Year ended June 30, 2014

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 87,815	\$ 87,815
Other	-	-	34,958	34,958
Total revenues	-	-	122,773	122,773
Expenditures:				
Current:				
Instruction	72,232,186	72,232,186	70,909,606	(1,322,580)
Student and instructional support	809,433	809,433	1,105,790	296,357
Administration	1,169,886	1,169,886	1,086,682	(83,204)
Operations and maintenance	296,016	296,016	252,398	(43,618)
Total expenditures	74,507,521	74,507,521	73,354,476	(1,153,045)
Revenues over (under) expenditures	(74,507,521)	(74,507,521)	(73,231,703)	1,275,818
Other financing sources (uses):				
Transfers in	71,349,610	71,349,610	70,684,066	(665,544)
Total other financing sources (uses)	71,349,610	71,349,610	70,684,066	(665,544)
Revenues and other financing sources over (under) expenditures and other uses	(3,157,911)	(3,157,911)	(2,547,637)	610,274
Fund balances at beginning of year	3,157,911	3,157,911	3,157,911	-
Fund balances at end of year	\$ -	\$ -	\$ 610,274	\$ 610,274
Explanation of difference between budgetary and GAAP fund balances:				
Encumbrances for equipment and supplies ordered but not received are not reported for GAAP purposes until received.			56,462	
GAAP fund balance at end of year			\$ 666,736	



Supplementary Information



General Funds – the general funds maintained by the District and the purpose of each are as follows:

General – used in conjunction with the Supplemental General fund to account for all financial resources except those required to be accounted for in another fund.

Supplemental General – used in conjunction with the General fund to account for all financial resources except those required to be accounted for in another fund.

Contingency Reserve – used to provide resources for unforeseen and unplanned needs.

Supplemental Grants – State and Local – used to account for revenue and expenses of programs administered in accordance with state and nongovernmental and/or local grants awarded to the District.

Professional Development – used to account for teacher in-service training program.

Special Revenue Funds - used to account for specific revenues that are legally restricted to expenditures for particular purposes. The special revenue funds maintained by the District and the purpose of each are as follows:

Adult Education – used to account for revenues and expenditures in conjunction with the Adult Basic Education program identified in K.S.A. 72-4517.

4-Year-Old State Intervention – created by Kansas Statute in 2005 and provides early childhood programs for the District.

Bilingual Education – used to account for costs incurred in administering programs to provide special help for pupils whose native language is not English.

Virtual Education – used to provide lessons, resources, training and teaching support online for K-8 families and to provide an online alternative learning option for high school students in Wichita and the Wichita Metro Area.

Latchkey – used to account for expenditures associated with the before and after school programs for children 5 to 12 years of age.

Nutrition Services – used to account for revenues and expenditures attributable to the food service program. The program is administered according to the state plan of child nutrition operations under which federal funds and commodities are received pursuant to federal acts relating to child nutrition. The programs are administered and meals are served on a nonprofit basis.

Parents As Teachers – used to account for the home/school partnership program that helps parents understand more about how young children grow and learn, so they can be better teachers of their preschool children.

Summer School – used to account for costs associated with the summer school programs.

Textbook Rental – used to account for the receipt of student textbook rental fees and the expenditures for student textbooks.

Vocational Education – used to account for secondary education vocational programs approved by the State and funded by the General fund weighting formula.

Special Liability Expense – used to pay for the cost of providing for the defense of the District and its employees and for the payment of claims.

Athletic Activity – used to account for gate receipts at secondary school athletic functions and expenditures relating to those functions.

Music Rental – used to account for the collection of student music rental fees and the expenditures for musical instruments.

Student Material Revolving – used to account for revenues from student materials fees and the expenditures associated with the purchase of student materials.

Supplemental Grants – Federal – used to account for revenue and expenditures of programs administered in accordance with Federal grants awarded to the District.

KPERS Retirement Contributions – used to account for revenues and expenditures of the Kansas Public Employees Retirement System. KPERS provides statewide defined-benefit retirement plans for state and local public employees.

Capital Project Funds – used to account for financial resources to be used for the acquisition, construction, remodeling, and equipping of major capital facilities. The capital project funds maintained by the District and the purpose of each are as follows:

Special Assessments – used to pay for costs associated with capital improvements such as streets, sewers, curbs, and gutters.

**Wichita Public Schools
Unified School District No. 259
Combining Balance Sheet
General Fund
June 30, 2014**

		General Fund Subfunds					
		General	Supplemental General	Contingency Reserve	Supplemental Grants - State and Local	Professional Development	Total General Fund
Assets:							
Cash, cash equivalents and investments	\$ -	\$ 7,610,800	\$ -	\$ -	\$ 4,057,076	\$ 325,554	\$ 11,993,430
Intergovernmental receivables	-	-	-	-	104,429	-	104,429
State aid receivable	27,780,593	2,545,078	-	-	-	-	30,325,671
Due from other funds	-	1,013,819	14,873,751	-	-	-	15,887,570
Inventory	1,027,783	-	-	-	-	-	1,027,783
Total assets	\$ 28,808,376	\$ 11,169,697	\$ 14,873,751	\$ 4,161,505	\$ 325,554	\$ 59,338,883	
Liabilities:							
Accounts payable	\$ 695,478	\$ 2,258,445	\$ -	\$ 389,512	\$ 40,646	\$ 3,384,081	
Accrued payroll	9,999,949	367,348	-	-	273,909	10,641,206	
Advance - grants	-	-	-	396,517	-	396,517	
Due to other funds	15,887,570	-	-	-	-	15,887,570	
Total liabilities	26,582,997	2,625,793	-	786,029	314,555	30,309,374	
Fund Balances:							
Nonspendable	1,027,783	-	-	-	-	1,027,783	
Restricted	-	-	-	984,780	-	984,780	
Assigned	678,217	3,979,531	-	2,019,158	10,999	6,687,905	
Unassigned	519,379	4,564,373	14,873,751	371,538	-	20,329,041	
Total fund balances	2,225,379	8,543,904	14,873,751	3,375,476	10,999	29,029,509	
Total liabilities, deferred inflows of resources and fund balances	\$ 28,808,376	\$ 11,169,697	\$ 14,873,751	\$ 4,161,505	\$ 325,554	\$ 59,338,883	

**Wichita Public Schools
Unified School District No. 259
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
General Fund
For the Year Ended June 30, 2014**

	General Fund Subfunds					Total General Fund
	General	Supplemental General	Contingency Reserve	Supplemental Grants - State and Local	Professional Development	
Revenues:						
Taxes	\$ 45,836,215	\$ 70,513,741	\$ -	\$ -	\$ -	\$ 116,349,956
Intergovernmental - State	182,884,549	14,999,218	-	157,259	-	198,041,026
Charges for services	-	-	-	329,271	-	329,271
Earnings on investments	-	-	-	538	-	538
Other	-	54,574	-	636,867	-	691,441
Contributions	-	-	-	574,425	-	574,425
Total revenues	228,720,764	85,567,533	-	1,698,360	-	315,986,657
Expenditures:						
Current:						
Instruction	107,388,793	3,873,131	-	1,067,672	-	112,329,596
Student and instructional support	24,812,311	741,081	-	152,020	1,554,117	27,259,529
Administration	31,970,262	782,678	-	72,441	-	32,825,381
Operations and maintenance	38,512,060	31,289,896	-	1,497,055	-	71,299,011
Student transportation service	224,417	16,562,524	-	121	-	16,787,062
Nutrition services	-	-	-	5,461	-	5,461
Total expenditures	202,907,843	53,249,310	-	2,794,770	1,554,117	260,506,040
Excess (deficiency) of revenues over (under) expenditures	25,812,921	32,318,223	-	(1,096,410)	(1,554,117)	55,480,617
Other financing sources (uses):						
Transfers in	-	-	-	-	669,402	669,402
Transfers out	(26,173,053)	(34,606,989)	-	-	-	(60,780,042)
Total other financing sources (uses)	(26,173,053)	(34,606,989)	-	-	669,402	(60,110,640)
Net change in fund balances	(360,132)	(2,288,766)	-	(1,096,410)	(884,715)	(4,630,023)
Fund balances at beginning of year	2,492,975	10,832,670	14,873,751	4,471,886	895,714	33,566,996
Change in reserve for inventory	92,536	-	-	-	-	92,536
Fund balances at end of year	\$ 2,225,379	\$ 8,543,904	\$ 14,873,751	\$ 3,375,476	\$ 10,999	\$ 29,029,509

**Wichita Public Schools
Unified School District No. 259
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014**

Special Revenue Funds

	Adult Education - Regular	4 Year Old State Intervention	Bilingual Education	Virtual Education	Latchkey	Nutrition Services	Parents as Teachers	Summer School
\$	-	\$ 251,878	\$ 661,367	\$ 299,721	\$ 964,331	\$ 13,899,808	\$ 121,359	\$ 185,885
-	-	-	-	-	-	-	79,872	-
-	-	-	-	-	-	1,604,162	-	-
\$	-	\$ 251,878	\$ 661,367	\$ 299,721	\$ 964,331	\$ 15,503,970	\$ 201,231	\$ 185,885
Liabilities:								
\$	-	\$ 67	\$ 539	\$ -	\$ 34,065	\$ 108,582	\$ 921	\$ 74
-	-	217,550	661,117	43,289	-	93,617	12,498	18,768
-	-	-	-	-	-	-	94,721	-
-	-	217,617	661,656	43,289	34,065	202,199	108,140	18,842
Fund Balances:								
-	-	-	-	-	-	1,604,162	-	-
-	-	34,261	-	256,432	930,266	13,697,609	93,091	167,043
-	-	-	(289)	-	-	-	-	-
-	-	34,261	(289)	256,432	930,266	15,301,771	93,091	167,043
\$	-	\$ 251,878	\$ 661,367	\$ 299,721	\$ 964,331	\$ 15,503,970	\$ 201,231	\$ 185,885

Assets:

Cash, cash equivalents
and investments
Accounts receivable
Inventory

Total assets

Liabilities:

Accounts payable
Accrued payroll
Advance - grants
Total liabilities

Fund Balances:

Nonspendable
Restricted
Unassigned

Total fund balances

Total liabilities, deferred inflows of
resources and fund balances

(continued)

**Wichita Public Schools
Unified School District No. 259
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014
(continued)**

Special Revenue Funds

	Textbook Rental	Vocational Education	Special Liability Expense	Athletic Activity	Music Rental	Student Material Revolving	Supplemental Grants - Federal
Assets:							
Cash, cash equivalents and investments	\$ 6,063,420	\$ 701,122	\$ 1,450,717	\$ 907,990	\$ 157,808	\$ 796,820	\$ 2,471,928
Accounts receivable	-	-	-	-	-	-	611,045
Inventory	-	-	-	-	-	-	-
Total assets	\$ 6,063,420	\$ 701,122	\$ 1,450,717	\$ 907,990	\$ 157,808	\$ 796,820	\$ 3,082,973
Liabilities:							
Accounts payable	\$ 1,050,933	\$ 148,403	\$ -	\$ 27,530	\$ 12,012	\$ 1,304	\$ 410,553
Accrued payroll	-	495,053	-	-	-	-	1,964,357
Advance - grants	-	-	-	-	-	-	686,841
Total liabilities	1,050,933	643,456	-	27,530	12,012	1,304	3,061,751
Fund Balances:							
Nonspendable	-	-	-	-	-	-	-
Restricted	5,012,487	57,666	1,450,717	880,460	145,796	795,516	21,222
Unassigned	-	-	-	-	-	-	-
Total fund balances	5,012,487	57,666	1,450,717	880,460	145,796	795,516	21,222
Total liabilities, deferred inflows of resources and fund balances	\$ 6,063,420	\$ 701,122	\$ 1,450,717	\$ 907,990	\$ 157,808	\$ 796,820	\$ 3,082,973

(continued)

**Wichita Public Schools
Unified School District No. 259
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014
(continued)**

	Special Revenue		Capital Funds		Project Funds		Total Nonmajor Governmental Funds
	KPERS Retirement Contributions	Special Assessments					
Assets:							
Cash, cash equivalents and investments	\$ -	\$ -	\$ 6,797	\$ 28,940,951			
Accounts receivable	-	-	-	690,917			
Inventory	-	-	-	1,604,162			
Total assets	\$ -	\$ -	\$ 6,797	\$ 31,236,030			
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ 1,794,983			
Accrued payroll	-	-	-	3,506,249			
Advance - grants	-	-	-	781,562			
Total liabilities	-	-	-	6,082,794			
Fund Balances:							
Nonspendable	-	-	-	1,604,162			
Restricted	-	-	6,797	23,549,363			
Unassigned	-	-	-	(289)			
Total fund balances	-	-	6,797	25,153,236			
Total liabilities, deferred inflows of resources and fund balances	\$ -	\$ -	\$ 6,797	\$ 31,236,030			

**Wichita Public Schools
Unified School District No. 259
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2014**

	Special Revenue Funds							
	Adult Education - Regular	4 Year Old State Intervention	Bilingual Education	Virtual Education	Latchkey	Nutrition Services	Parents as Teachers	Summer School
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental - State	-	3,669,129	8,960,195	867,388	-	254,700	467,251	-
Intergovernmental - Federal	-	-	-	-	667,963	19,714,927	79,872	-
Charges for services	-	-	-	-	2,386,074	3,281,889	-	120,589
Earnings on investments	-	-	-	-	-	9,132	-	-
Other	-	-	-	5,337	-	501	-	767
Total revenues	-	3,669,129	8,960,195	872,725	3,054,037	23,261,149	547,123	121,356
Expenditures:								
Current:								
Instruction	-	4,365,428	11,448,291	1,070,133	3,051,368	-	-	71,556
Student and instructional support	-	447,506	546,295	138,236	-	-	697,482	2,077
Administration	-	-	633,756	109,652	-	-	-	2,621
Operations and maintenance	-	130,101	13,217	-	-	-	-	1,603
Student transportation service	-	-	-	49,072	-	-	-	-
Nutrition services	-	-	-	-	-	22,067,208	-	-
Facility acquisition and construction service	-	-	-	-	-	-	-	-
Total expenditures	-	4,943,035	12,641,559	1,367,093	3,051,368	22,067,208	697,482	77,857
Excess of revenues over (under) expenditures	-	(1,273,906)	(3,681,364)	(494,368)	2,669	1,193,941	(150,359)	43,499
Other financing sources (uses):								
Transfers in	-	1,024,354	3,528,081	-	-	-	115,299	-
Total other financing sources (uses)	-	1,024,354	3,528,081	-	-	-	115,299	-
Net change in fund balances	-	(249,552)	(153,283)	(494,368)	2,669	1,193,941	(35,060)	43,499
Fund balances at beginning of year	-	283,813	152,994	750,800	927,597	13,756,223	128,151	123,544
Change in reserve for inventory	-	-	-	-	-	351,607	-	-
Fund balances at end of year	-	34,261	(289)	256,432	930,266	15,301,771	93,091	167,043

(continued)

**Wichita Public Schools
Unified School District No. 259
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2014
(continued)**

Special Revenue Funds										
	Textbook Rental	Vocational Education	Special Liability Expense	Athletic Activity	Music Rental	Student Material Revolving	Supplemental Grants - Federal			
Revenues:										
Taxes	\$ -	\$ -	\$ 18	\$ -	\$ -	\$ -	\$ -			
Intergovernmental - State	-	3,079,029	-	-	-	-	-			
Intergovernmental - Federal	-	-	-	-	-	-	-			
Charges for services	586,605	84,608	-	353,537	50,449	391,592	32,036,880			
Earnings on investments	-	-	1,363	917	-	-	-			
Other	9,670	49,000	-	189,468	2,234	364	-			
Total revenues	596,275	3,212,637	1,381	543,922	52,683	391,956	32,036,880			
Expenditures:										
Current:										
Instruction	4,496,164	7,405,793	-	833,777	167,774	426,196	16,479,541			
Student and instructional support	-	61,925	-	-	18,019	87	13,629,979			
Administration	-	503,276	-	-	-	-	1,113,289			
Operations and maintenance	-	89,006	246,160	-	-	-	681,853			
Student transportation service	-	-	-	-	-	-	34,377			
Nutrition services	-	-	-	-	-	-	559,953			
Facility acquisition and construction service	-	-	-	-	-	-	-			
Total expenditures	4,496,164	8,060,000	246,160	833,777	185,793	426,283	32,498,992			
Excess of revenues over (under) expenditures	(3,899,889)	(4,847,363)	(244,779)	(289,855)	(133,110)	(34,327)	(462,112)			
Other financing sources (uses):										
Transfers in	3,626,830	4,620,357	-	-	-	-	-			
Total other financing sources (uses)	3,626,830	4,620,357	-	-	-	-	-			
Net change in fund balances	(273,059)	(227,006)	(244,779)	(289,855)	(133,110)	(34,327)	(462,112)			
Fund balances at beginning of year	5,285,546	284,672	1,695,496	1,170,315	278,906	829,843	483,334			
Change in reserve for inventory	-	-	-	-	-	-	-			
Fund balances at end of year	\$ 5,012,487	\$ 57,666	\$ 1,450,717	\$ 880,460	\$ 145,796	\$ 795,516	\$ 21,222			

(continued)

**Wichita Public Schools
Unified School District No. 259
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2014
(continued)**

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$ -	\$ 12	\$ 30
Intergovernmental - State	33,625,196	-	50,922,888
Intergovernmental - Federal	-	-	52,499,642
Charges for services	-	-	7,255,343
Earnings on investments	-	-	11,412
Other	-	5,535	262,876
Total revenues	33,625,196	5,547	110,952,191
Expenditures:			
Current:			
Instruction	21,567,704	-	71,383,725
Student and instructional support	5,169,485	-	20,711,091
Administration	2,790,426	-	5,153,020
Operations and maintenance	3,469,131	-	4,631,071
Student transportation service	62,347	-	145,796
Nutrition services	566,103	-	23,193,264
Facility acquisition and construction service	-	-	-
Total expenditures	33,625,196	-	125,217,967
Excess of revenues over (under) expenditures	-	5,547	(14,265,776)
Other financing sources (uses):			
Transfers in	-	-	12,914,921
Total other financing sources (uses)	-	-	12,914,921
Net change in fund balances	-	5,547	(1,350,855)
Fund balances at beginning of year	-	1,250	26,152,484
Change in reserve for inventory	-	-	351,607
Fund balances at end of year	\$ -	\$ 6,797	\$ 25,153,236

Financial Section

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Supplemental General Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ 67,019,962	\$ 67,019,962	\$ 70,513,741	\$ 3,493,779
Intergovernmental - State	42,418,047	42,418,047	43,125,014	706,967
Other	-	-	363,627	363,627
Total revenues	109,438,009	109,438,009	114,002,382	4,564,373
Expenditures:				
Current:				
Instruction	4,055,484	4,055,484	3,918,091	(137,393)
Student and instructional support	610,837	610,837	794,933	184,096
Administration	642,949	642,949	798,646	155,697
Operations and maintenance	26,412,099	26,412,099	26,191,632	(220,467)
Student transportation service	17,614,534	17,614,534	16,434,680	(1,179,854)
Total expenditures	49,335,903	49,335,903	48,137,982	(1,197,921)
Revenues over (under) expenditures	60,102,106	60,102,106	65,864,400	5,762,294
Other financing sources (uses):				
Transfers out	(61,534,864)	(61,534,864)	(62,732,785)	1,197,921
Revenues and other financing sources over (under) expenditures and other uses	(1,432,758)	(1,432,758)	3,131,615	4,564,373
Fund balances at beginning of year	1,432,758	1,432,758	1,432,758	-
Fund balances at end of year	\$ -	\$ -	\$ 4,564,373	\$ 4,564,373

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Virtual Education Program
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Other	\$ -	\$ -	\$ 5,337	\$ 5,337
Total revenues	-	-	5,337	5,337
Expenditures:				
Current:				
Instruction	968,123	968,123	868,333	(99,790)
Student and instructional support	139,175	139,175	138,236	(939)
Administration	108,080	108,080	109,652	1,572
Operations and maintenance	47,069	47,069	49,072	2,003
Total expenditures	1,262,447	1,262,447	1,165,293	(97,154)
Revenues over (under) expenditures	(1,262,447)	(1,262,447)	(1,159,956)	102,491
Other financing sources (uses):				
Transfers in	1,079,514	1,079,514	867,388	(212,126)
Total other financing sources (uses)	1,079,514	1,079,514	867,388	(212,126)
Revenues and other financing sources over (under) expenditures and other uses	(182,933)	(182,933)	(292,568)	(109,635)
Fund balances at beginning of year	500,000	500,000	500,000	-
Fund balances at end of year	\$ 317,067	\$ 317,067	\$ 207,432	\$ (109,635)

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Professional Development Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Other	\$ -	\$ -	\$ 10,704	\$ 10,704
Total revenues	-	-	10,704	10,704
Expenditures:				
Current:				
Student and instructional support	1,403,662	1,579,637	1,530,105	(49,532)
Total expenditures	1,403,662	1,579,637	1,530,105	(49,532)
Revenues over (under) expenditures	(1,403,662)	(1,579,637)	(1,519,401)	60,236
Other financing sources (uses):				
Transfers in	1,014,829	1,014,829	669,402	(345,427)
Total other financing sources (uses)	1,014,829	1,014,829	669,402	(345,427)
Revenues and other financing sources over (under) expenditures and other uses	(388,833)	(564,808)	(849,999)	(285,191)
Fund balances at beginning of year	849,999	849,999	849,999	-
Fund balances at end of year	\$ 461,166	\$ 285,191	\$ -	\$ (285,191)

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Adult Education - Regular Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ 500	\$ 500	\$ -	\$ (500)
Total revenues	500	500	-	(500)
Expenditures:				
Current:				
Instruction	500	500	-	(500)
Total expenditures	500	500	-	(500)
Revenues over (under) expenditures	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Four Year Old State Intervention Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ Under)
	Original	Final		
Revenues:				
Other	\$ -	\$ -	\$ 67	\$ 67
Total revenues	-	-	67	67
Expenditures:				
Current:				
Instruction	5,037,377	5,037,377	4,365,976	(671,401)
Student and instructional support	453,371	453,371	447,439	(5,932)
Administration	76,784	76,784	-	(76,784)
Operations and maintenance	128,597	128,597	130,101	1,504
Total expenditures	5,696,129	5,696,129	4,943,516	(752,613)
Revenues over (under) expenditures	(5,696,129)	(5,696,129)	(4,943,449)	752,680
Other financing sources (uses):				
Transfers in	5,446,128	5,446,128	4,693,482	(752,646)
Total other financing sources (uses)	5,446,128	5,446,128	4,693,482	(752,646)
Revenues and other financing sources over (under) expenditures and other uses	(250,001)	(250,001)	(249,967)	34
Fund balances at beginning of year	250,001	250,001	250,001	-
Fund balances at end of year	\$ -	\$ -	\$ 34	\$ 34

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Bilingual Education Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Other	\$ -	\$ -	\$ 750	\$ 750
Total revenues	-	-	750	750
Expenditures:				
Current:				
Instruction	11,153,188	11,153,188	11,445,871	292,683
Student and instructional support	821,135	821,135	546,295	(274,840)
Administration	614,270	614,270	633,643	19,373
Operations and maintenance	289,641	289,641	13,217	(276,424)
Total expenditures	12,878,234	12,878,234	12,639,026	(239,208)
Revenues over (under) expenditures	(12,878,234)	(12,878,234)	(12,638,276)	239,958
Other financing sources (uses):				
Transfers in	12,728,234	12,728,234	12,488,276	(239,958)
Total other financing sources (uses)	12,728,234	12,728,234	12,488,276	(239,958)
Revenues and other financing sources over (under) expenditures and other uses	(150,000)	(150,000)	(150,000)	-
Fund balances at beginning of year	150,000	150,000	150,000	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Latchkey Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Intergovernmental - Federal	\$ 600,000	\$ 600,000	\$ 667,963	\$ 67,963
Charges for services	-	-	2,390,411	2,390,411
Other	2,000,000	2,000,000	9,047	(1,990,953)
Total revenues	2,600,000	2,600,000	3,067,421	467,421
Expenditures:				
Current:				
Student and instruction support	2,556,261	3,200,000	3,031,599	(168,401)
Total expenditures	2,556,261	3,200,000	3,031,599	(168,401)
Revenues over (under) expenditures	43,739	(600,000)	35,822	635,822
Fund balances at beginning of year	870,087	870,087	870,087	-
Fund balances at end of year	\$ 913,826	\$ 270,087	\$ 905,909	\$ 635,822

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Nutrition Services Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Intergovernmental - State	\$ 230,558	\$ 230,558	\$ 254,700	\$ 24,142
Intergovernmental - Federal	17,615,577	17,615,577	19,714,927	2,099,350
Charges for services	4,313,977	4,313,977	3,281,889	(1,032,088)
Earnings on investments	-	-	9,132	9,132
Other	-	-	906,024	906,024
Total revenues	22,160,112	22,160,112	24,166,672	2,006,560
Expenditures:				
Current:				
Nutrition services	26,270,918	26,270,918	24,900,075	(1,370,843)
Total expenditures	26,270,918	26,270,918	24,900,075	(1,370,843)
Revenues over (under) expenditures	(4,110,806)	(4,110,806)	(733,403)	3,377,403
Fund balances at beginning of year	9,080,855	9,080,855	9,080,855	-
Fund balances at end of year	\$ 4,970,049	\$ 4,970,049	\$ 8,347,452	\$ 3,377,403

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Parents As Teachers Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ Under)
	Original	Final		
Revenues:				
Intergovernmental - State & Local	\$ 258,000	\$ 258,000	\$ 467,251	\$ 209,251
Other	167,700	207,911	1,017	(206,894)
Total revenues	425,700	465,911	468,268	2,357
Expenditures:				
Current:				
Student and instructional support	479,430	599,979	541,513	(58,466)
Operations and maintenance	399	399	-	(399)
Total expenditures	479,829	600,378	541,513	(58,865)
Revenues over (under) expenditures	(54,129)	(134,467)	(73,245)	61,222
Other financing sources (uses):				
Transfers in	-	71,148	115,299	44,151
Total other financing sources (uses)	-	71,148	115,299	44,151
Revenues and other financing sources over (under) expenditures and other uses	(54,129)	(63,319)	42,054	105,373
Fund balances at beginning of year	63,319	63,319	63,319	-
Fund balances at end of year	\$ 9,190	\$ -	\$ 105,373	\$ 105,373

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Summer School Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Charges for services	\$ 120,000	\$ 120,000	\$ 120,589	\$ 589
Other	-	-	1,097	1,097
Total revenues	120,000	120,000	121,686	1,686
Expenditures:				
Current:				
Instruction	186,129	186,129	71,482	(114,647)
Student and instructional support	3,284	3,284	2,077	(1,207)
Administration	14,452	14,452	2,621	(11,831)
Operations and maintenance	15,651	15,651	1,603	(14,048)
Total expenditures	219,516	219,516	77,783	(141,733)
Revenues over (under) expenditures	(99,516)	(99,516)	43,903	143,419
Fund balances at beginning of year	123,213	123,213	123,213	-
Fund balances at end of year	<u>\$ 23,697</u>	<u>\$ 23,697</u>	<u>\$ 167,116</u>	<u>\$ 143,419</u>

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Vocational Education Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Intergovernmental - State	\$ 5,750	\$ 5,750	\$ 36,263	\$ 30,513
Charges for services	-	-	84,608	84,608
Other	-	-	51,969	51,969
Total revenues	5,750	5,750	172,840	167,090
Expenditures:				
Current:				
Instruction	7,771,827	7,771,827	7,351,618	(420,209)
Student and instructional support	50,847	50,847	62,738	11,891
Administration	543,826	543,826	500,600	(43,226)
Operations and maintenance	283,896	283,896	89,006	(194,890)
Total expenditures	8,650,396	8,650,396	8,003,962	(646,434)
Revenues over (under) expenditures	(8,644,646)	(8,644,646)	(7,831,122)	813,524
Other financing sources (uses):				
Transfers in	8,394,646	8,394,646	7,663,123	(731,523)
Total other financing sources (uses)	8,394,646	8,394,646	7,663,123	(731,523)
Revenues and other financing sources over (under) expenditures and other uses	(250,000)	(250,000)	(167,999)	82,001
Fund balances at beginning of year	253,727	253,727	253,727	-
Fund balances at end of year	\$ 3,727	\$ 3,727	\$ 85,728	\$ 82,001

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Special Liability Expense Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ 18	\$ 18
Earnings on investments	-	-	1,362	1,362
Other	-	-	75,166	75,166
Total revenues	-	-	76,546	76,546
Expenditures:				
Current:				
Administration	990,600	990,600	105,329	(885,271)
Total expenditures	990,600	990,600	105,329	(885,271)
Revenues over (under) expenditures	(990,600)	(990,600)	(28,783)	961,817
Fund balances at beginning of year	1,479,500	1,479,500	1,479,500	-
Fund balances at end of year	\$ 488,900	\$ 488,900	\$ 1,450,717	\$ 961,817

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Special Assessment Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ 12	\$ 12
Other income	-	-	5,628	5,628
Total revenues	-	-	5,640	5,640
Expenditures:				
Current:				
Facility acquisition and construction service	-	-	-	-
Total expenditures	-	-	-	-
Revenues over (under) expenditures	-	-	5,640	5,640
Fund balances at beginning of year	1,157	1,157	1,157	-
Fund balances at end of year	<u>\$ 1,157</u>	<u>\$ 1,157</u>	<u>\$ 6,797</u>	<u>\$ 5,640</u>

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
KPERS Retirement Contributions
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Intergovernmental - State	\$ 34,531,606	\$ 34,531,606	\$ 33,625,196	\$ (906,410)
Total revenues	34,531,606	34,531,606	33,625,196	(906,410)
Expenditures:				
Current:				
Instruction	22,171,682	22,171,682	21,567,704	(603,978)
Student and instructional support	5,239,637	5,239,637	5,169,485	(70,152)
Administration	2,916,060	2,916,060	2,790,426	(125,634)
Operations and maintenance	3,561,139	3,561,139	3,469,131	(92,008)
Transportation	66,646	66,646	62,347	(4,299)
Nutrition services	576,442	576,442	566,103	(10,339)
Total expenditures	34,531,606	34,531,606	33,625,196	(906,410)
Revenues over (under) expenditures	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -

Financial Section

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Capital Outlay Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ 14,402,308	\$ 14,402,308	\$ 12,758,934	\$ (1,643,374)
Intergovernmental - Federal	1,739,194	1,739,194	1,541,779	(197,415)
Earnings on investments	50,000	50,000	88,121	38,121
Sale of property	-	-	1,319,650	1,319,650
Contributions and donations	-	-	357,696	357,696
Other	-	-	728,912	728,912
Total revenues	16,191,502	16,191,502	16,795,092	603,590
Expenditures:				
Current:				
Facility acquisition and construction service	22,982,421	22,982,421	22,736,106	(246,315)
Total expenditures	22,982,421	22,982,421	22,736,106	(246,315)
Revenues over (under) expenditures	(6,790,919)	(6,790,919)	(5,941,014)	849,905
Other financing sources (uses):				
Transfers in	-	-	4,888,435	4,888,435
Total other financing sources (uses)	-	-	4,888,435	4,888,435
Revenues and other financing sources over (under) expenditures and other uses	(6,790,919)	(6,790,919)	(1,052,579)	5,738,340
Fund balances at beginning of year	23,362,747	23,362,747	23,362,747	-
Fund balances at end of year	\$ 16,571,828	\$ 16,571,828	\$ 22,310,168	\$ 5,738,340

**Wichita Public Schools
Unified School District No. 259
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Bond and Interest Fund
Year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ 22,341,751	\$ 22,341,977	\$ 22,963,346	\$ 621,369
Intergovernmental - State	12,313,084	12,313,084	12,313,084	-
Interest expense subsidy - Federal	4,330,829	4,330,829	4,366,406	35,577
Earnings on investments	-	741	741	-
Total revenues	38,985,664	38,986,631	39,643,577	656,946
Expenditures:				
Current:				
Principal/Interest on long-term debt	40,645,783	41,144,562	41,135,925	(8,637)
Cost of issuance on refunding bonds	-	103,864	-	(103,864)
Total expenditures	40,645,783	41,248,426	41,135,925	(112,501)
Revenues over (under) expenditures	(1,660,119)	(2,261,795)	(1,492,348)	769,447
Other financing sources (uses):				
Issuance of refunding bonds	-	580,000	580,000	-
Premium on refunding bonds	-	20,051	20,051	-
Total other financing sources (uses)	-	600,051	600,051	-
Revenues over (under) expenditures	(1,660,119)	(1,661,744)	(892,297)	769,447
Fund balances at beginning of year	29,008,381	29,008,381	29,008,381	-
Fund balances at end of year	\$ 27,348,262	\$ 27,346,637	\$ 28,116,084	\$ 769,447

INTERNAL SERVICE FUNDS

Internal Service Funds are used by state and local governments to account for the financing of goods and services provided by one department or agency to other departments or agencies and to other government units, on a cost-reimbursement basis. These funds are not required by the State to have adopted budgets. The internal service funds maintained by the District and the purpose of each are as follows:

Heath Care – used to account for premium deposits and expenditures to health care providers of medical and dental services for covered District employees.

Disability Reserve - used to account for premiums and disability claims paid by the District on behalf of covered employees.

Workers' Compensation – used to account for benefits provided for medical expenses and indemnity resulting from occupational illness or injury to all employees under the Kansas Worker's Compensation Act.

Risk Management – used to account for legal defense and payment of claims against the Board of Education when an incident occurs during the course of employment. The deductible portion of the property and casualty, general liability, automobile and aviation premiums are also accounted for in this fund.



**Wichita Public Schools
Unified School District No. 259
Combining Schedule of Net Position
Internal Service Funds
June 30, 2014**

	Health Care	Disability Reserve	Workers' Compensation	Risk Management	Total
Assets:					
Current assets:					
Cash and cash equivalents	\$ 31,741,680	\$ 2,951,439	\$ 14,792,332	\$ 4,126,263	\$ 53,611,714
Accounts receivable	-	-	-	1,927,070	1,927,070
Total current assets	31,741,680	2,951,439	14,792,332	6,053,333	55,538,784
Liabilities:					
Current liabilities:					
Accrued liabilities	91,745	-	57,348	1,103,564	1,252,657
Current portion - claims payable	5,044,000	74,000	2,502,710	-	7,620,710
Total current liabilities	5,135,745	74,000	2,560,058	1,103,564	8,873,367
Noncurrent liabilities:					
Long-term claims payable	-	-	5,119,828	-	5,119,828
Total liabilities	5,135,745	74,000	7,679,886	1,103,564	13,993,195
Net Position:					
Total net position restricted for self-insurance claims	\$ 26,605,935	\$ 2,877,439	\$ 7,112,446	\$ 4,949,769	\$ 41,545,589

Financial Section

**Wichita Public Schools
Unified School District No. 259
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Funds
Year ended June 30, 2014**

	Health Care	Disability Reserve	Workers' Compensation	Risk Management	Total
Operating revenues:					
Charges for services	\$ 47,249,113	\$ 1,326,203	\$ 3,978,368	\$ 7,696,278	\$ 60,249,962
Total operating revenues	47,249,113	1,326,203	3,978,368	7,696,278	60,249,962
Operating expenses:					
Contractual services	53,374,766	874,511	1,828,294	8,034,112	64,111,683
Total operating expenses	53,374,766	874,511	1,828,294	8,034,112	64,111,683
Operating income (loss)	(6,125,653)	451,692	2,150,074	(337,834)	(3,861,721)
Nonoperating revenues:					
Interest	26,439	2,198	11,125	5,354	45,116
Total nonoperating revenue	26,439	2,198	11,125	5,354	45,116
Income (loss) before transfers	(6,099,214)	453,890	2,161,199	(332,480)	(3,816,605)
Transfers in	-	-	-	131,917	131,917
Change in net position	(6,099,214)	453,890	2,161,199	(200,563)	(3,684,688)
Total net position-beginning of year	32,705,149	2,423,549	4,951,247	5,150,332	45,230,277
Total net position-end of year	\$ 26,605,935	\$ 2,877,439	\$ 7,112,446	\$ 4,949,769	\$ 41,545,589

Financial Section

Wichita Public Schools Unified School District No. 259 Combining Schedule of Cash Flows Internal Service Funds Year ended June 30, 2014

	Health Care	Disability Reserve	Workers' Compensation	Risk Management	Total
Cash flows from operating activities:					
Cash received for services	\$ 47,249,113	\$ 1,326,203	\$ 3,978,368	\$ 7,696,278	\$ 60,249,962
Cash payments for claims	(54,335,588)	(891,961)	(2,244,891)	(8,857,618)	(66,330,058)
Net cash flow from operating activities	(7,086,475)	434,242	1,733,477	(1,161,340)	(6,080,096)
Cash flows from non-capital financing activities:					
Transfers from other funds	-	-	-	131,917	131,917
Net cash flow from non-capital financing activities	-	-	-	131,917	131,917
Cash flows from investing activities:					
Interest on investments	26,439	2,198	11,125	5,354	45,116
Net cash flow from investing activities	26,439	2,198	11,125	5,354	45,116
Change in cash and cash equivalents	(7,060,036)	436,440	1,744,602	(1,024,069)	(5,903,063)
Cash and cash equivalents-beginning of the year	38,801,716	2,514,999	13,047,730	5,150,332	59,514,777
Cash and cash equivalents-end of the year	\$ 31,741,680	\$ 2,951,439	\$ 14,792,332	\$ 4,126,263	\$ 53,611,714
Reconciliation of operating income (loss) to net cash flow from operating activities:					
Operating income (loss)	\$ (6,125,653)	\$ 451,692	\$ 2,150,074	\$ (337,834)	\$ (3,861,721)
Adjustments to reconcile operating income (loss) to net cash flow from operating activities:					
Change in accounts receivable	-	-	-	(1,927,070)	(1,927,070)
Change in accrued liabilities	(2,663,822)	(19,450)	(15,305)	1,103,564	(1,595,013)
Change in claims payable	1,703,000	2,000	(401,292)	-	1,303,708
Net cash flow from operating activities	\$ (7,086,475)	\$ 434,242	\$ 1,733,477	\$ (1,161,340)	\$ (6,080,096)



FIDUCIARY FUNDS

Fiduciary Funds are used when a government holds or manages financial resources in an agent or fiduciary capacity. The fiduciary funds maintained by the District and the purpose of each are listed below:

Early Retirement Incentive Plan Trust – used to account for early retirement incentives.

Retiree Benefit Trust – used to account for other post-employment benefits (OPEB). Provides healthcare benefits, including medical, dental, vision, and life, to eligible retirees.

Student Activity – used to account for funds used to support co-curricular and extra-curricular student activities.

Payroll Trust – used to account for payroll taxes and other withholdings from employee wages that are owed to other governmental agencies or others.

Flexible Spending – used to account for elective pre-tax payroll withholdings from employee wages and payment of eligible medical and dependent care costs.



**Wichita Public Schools
Unified School District No. 259
Combining Schedule of Fiduciary Net Position
Fiduciary Funds - Employee Benefit Trust Funds
June 30, 2014**

	Early Retirement Incentive Plan Trust	Retiree Benefit Trust	Total
Assets:			
Cash	\$ 3,716,645	\$ 934	\$ 3,717,579
Certificates of deposit	9,500,000	10,020,000	19,520,000
Interest receivable	3,905	27,425	31,330
Total assets	13,220,550	10,048,359	23,268,909
Liabilities:			
Due to others	-	-	-
Total liabilities	-	-	-
Net Position:			
Held in trust for other employee benefits	13,220,550	10,048,359	23,268,909
Total net position	\$ 13,220,550	\$ 10,048,359	\$ 23,268,909

**Wichita Public Schools
Unified School District No. 259
Combining Schedule of Changes in Fiduciary Net Position
Fiduciary Funds - Employee Benefit Trust Funds
For the Year Ended June 30, 2014**

	Early Retirement Incentive Plan Trust	Retiree Benefit Trust	Total
Additions:			
Employer contributions	\$ 15,000,666	\$ 2,432,030	\$ 17,432,696
Retiree contributions	-	3,094,785	3,094,785
Interest income	1,697	28,755	30,452
Total additions	<u>15,002,363</u>	<u>5,555,570</u>	<u>20,557,933</u>
Deductions:			
Benefits	16,590,929	5,370,371	21,961,300
Administration	-	155,893	155,893
Total deductions	<u>16,590,929</u>	<u>5,526,264</u>	<u>22,117,193</u>
Change in net position	(1,588,566)	29,306	(1,559,260)
Net position - beginning of year	<u>14,809,116</u>	<u>10,019,053</u>	<u>24,828,169</u>
Net position - end of year	<u>\$ 13,220,550</u>	<u>\$ 10,048,359</u>	<u>\$ 23,268,909</u>

**Wichita Public Schools
Unified School District No. 259
Combining Schedule of Fiduciary Assets and Liabilities
Fiduciary Funds - Agency Funds
June 30, 2014**

	<u>Agency Funds</u>			
	Student Activity Funds	Payroll Trust Fund	Flexible Spending	Total Agency Funds
Assets				
Cash and cash equivalents	\$ 3,437,037	\$ 1,224,559	\$ (125,944)	\$ 4,535,652
Total assets	<u>\$ 3,437,037</u>	<u>\$ 1,224,559</u>	<u>\$ (125,944)</u>	<u>\$ 4,535,652</u>
Liabilities				
Due to others	\$ 3,437,037	\$ 1,224,559	\$ (125,944)	\$ 4,535,652
Total liabilities	<u>\$ 3,437,037</u>	<u>\$ 1,224,559</u>	<u>\$ (125,944)</u>	<u>\$ 4,535,652</u>

Financial Section

**Wichita Public Schools
Unified School District No. 259
Combining Schedule of Changes in Assets and Liabilities
Fiduciary Funds - Agency Funds
Year ended June 30, 2014**

	Balance, June 30 2013	Additions	Deletions	Balance, June 30 2014
Totals - All Agency Funds				
Assets				
Cash and cash equivalents	\$ 5,574,550	\$ 147,098,346	\$ 148,137,244	\$ 4,535,652
Total assets	\$ 5,574,550	\$ 147,098,346	\$ 148,137,244	\$ 4,535,652
Liabilities				
Due to others	\$ 5,574,550	\$ 147,098,346	\$ 148,137,244	\$ 4,535,652
Total liabilities	\$ 5,574,550	\$ 147,098,346	\$ 148,137,244	\$ 4,535,652
Student Activity Funds				
Assets				
Cash and cash equivalents	\$ 3,674,054	\$ 12,720,459	\$ 12,957,476	\$ 3,437,037
Total assets	\$ 3,674,054	\$ 12,720,459	\$ 12,957,476	\$ 3,437,037
Liabilities				
Due to others	\$ 3,674,054	\$ 12,720,459	\$ 12,957,476	\$ 3,437,037
Total liabilities	\$ 3,674,054	\$ 12,720,459	\$ 12,957,476	\$ 3,437,037
Payroll Trust Fund				
Assets				
Cash and cash equivalents	\$ 1,802,412	\$ 126,847,375	\$ 127,425,228	\$ 1,224,559
Total assets	\$ 1,802,412	\$ 126,847,375	\$ 127,425,228	\$ 1,224,559
Liabilities				
Due to others	\$ 1,802,412	\$ 126,847,375	\$ 127,425,228	\$ 1,224,559
Total liabilities	\$ 1,802,412	\$ 126,847,375	\$ 127,425,228	\$ 1,224,559
Flexible Spending Fund				
Assets				
Cash and cash equivalents	\$ 98,084	\$ 7,530,512	\$ 7,754,540	\$ (125,944)
Total assets	\$ 98,084	\$ 7,530,512	\$ 7,754,540	\$ (125,944)
Liabilities				
Due to others	\$ 98,084	\$ 7,530,512	\$ 7,754,540	\$ (125,944)
Total liabilities	\$ 98,084	\$ 7,530,512	\$ 7,754,540	\$ (125,944)

Statistical Section





STATISTICAL SECTION

This part of the Wichita Public Schools Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information indicates about the Wichita Public Schools' overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	98
Revenue Capacity	
These schedules contain information to help the reader assess the District's financially significant local revenue source, the property tax.	104
Debt Capacity	
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	108
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	112
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	115

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

Statistical Section

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS Last Ten Fiscal Years Ended June 30, (Continued on next page)

		2005	2006	2007	2008
Revenues:					
Taxes	\$	115,817,735	\$ 120,700,320	\$ 126,534,430	\$ 138,635,857
Intergovernmental - State		240,080,606	283,607,623	315,665,158	344,323,411
Intergovernmental - Federal		59,811,021	59,895,999	59,971,569	57,235,874
Interest expense subsidy - Federal	(2)	-	-	-	-
Charges for services		5,414,169	8,525,609	6,011,281	5,561,626
Earnings on investments	(3)	3,169,608	4,785,887	10,859,048	10,380,375
Other		3,769,354	3,092,723	6,953,381	3,763,512
Contributions		-	13,985	360,647	1,217,199
Total revenues		428,062,493	480,622,146	526,355,514	561,117,854
Expenditures:					
Current:					
Instruction		220,635,391	244,698,491	263,913,393	287,752,823
Student and instructional support		50,099,298	59,202,505	69,652,446	74,075,547
Administration		30,451,254	32,799,723	34,610,127	37,197,292
Operations and maintenance		50,174,541	55,337,795	57,507,190	65,557,633
Student transportation service		18,128,299	18,376,565	19,140,522	20,095,468
Nutrition services		15,581,790	16,745,000	16,727,652	17,424,261
Sub-total current expenditures		385,070,573	427,160,079	461,551,330	502,103,024
Facility acquisition and construction service		68,948,723	34,467,735	18,926,102	33,939,625
Debt Service:					
Principal retirement	(4)	9,905,000	10,675,000	11,465,000	12,264,999
Interest		12,859,653	13,956,286	13,860,796	13,211,519
Other		-	-	-	-
Total expenditures		476,783,949	486,259,100	505,803,228	561,519,167
Excess (deficiency) of revenues over (under) expenditures		(48,721,456)	(5,636,954)	20,552,286	(401,313)
Other financing sources (uses):					
Bond issuance	(1)	-	-	-	-
Refunding bond issuance		68,460,000	-	-	-
Premium on bond issuance	(1)	-	-	-	-
Discount on bond issuance	(1)	-	-	-	-
Payment to refunded bond escrow	(1)	-	-	-	-
Premiums on bonds sold		7,683,648	-	-	-
Sale of property		-	-	-	-
Transfers in		81,051,744	120,571,854	135,756,406	161,735,935
Transfers out		(81,183,661)	(122,083,020)	(139,284,085)	(161,867,852)
Total other financing sources (uses)		76,011,731	(1,511,166)	(3,527,679)	(131,917)
Net change in fund balances		27,290,275	(7,148,120)	17,024,607	(533,230)
Fund balances at beginning of year		181,726,397	208,926,414	202,152,788	219,457,827
Change in reserve for inventory		(50,267)	374,494	280,432	(338,577)
Fund balances at end of year	\$	208,966,405	\$ 202,152,788	\$ 219,457,827	\$ 218,586,020
Ratio of total debt service expenditures to noncapital expenditures.					
		5.59%	5.27%	5.11%	4.79%

(1) In November 2008, Wichita citizens approved the passage of a \$370 million bond issue.

(2) In the 2009 Federal stimulus plan, a new bond option was created that allowed bonds to be issued as taxable securities with the District receiving a subsidy of 35% of the interest from the U.S. Treasury. Due to sequestration, the subsidy was reduced to 32% in FY 2013.

(3) Decreases in investment earnings since FY 2008 are due to lower interest rates caused by the economic downturn, as well as reduced balances resulting from reductions in state funding.

(4) The increase in FY 2013 is due to the current refunding of general obligation bonds. Advance refundings in prior years are reflected in Other Financing Sources (Uses).

Statistical Section

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS Last Ten Fiscal Years Ended June 30, (Continued from previous page)

2009	2010	2011	2012	2013	2014
\$ 142,769,888	\$ 149,855,266	\$ 148,191,597	\$ 152,246,674	\$ 151,694,016	\$ 152,072,266
361,839,622	320,824,377	334,143,207	340,963,641	362,539,736	374,108,949
58,799,705	96,757,118	99,248,416	74,047,748	72,517,008	73,167,160
-	2,435,821	4,888,103	4,743,515	4,743,515	4,366,406
6,492,556	5,890,320	5,173,988	5,315,600	5,295,618	7,672,429
5,701,943	2,566,359	2,511,719	874,998	208,885	351,946
2,763,531	2,397,458	4,268,316	1,331,039	1,598,306	1,114,157
972,267	856,818	653,523	1,110,602	1,679,427	932,121
579,339,512	581,583,537	599,078,869	580,633,817	600,276,511	613,785,434
291,195,270	290,231,979	301,439,506	291,958,123	304,831,401	317,047,741
79,389,067	76,125,699	71,632,655	68,401,079	71,916,610	74,194,422
42,609,103	41,568,245	45,409,783	38,273,012	40,049,966	41,632,066
70,351,157	61,571,070	60,773,798	65,790,223	71,311,684	79,911,405
21,509,033	26,958,550	25,105,244	27,369,629	26,645,532	28,767,496
19,342,146	18,974,782	18,612,253	20,656,227	23,337,086	23,198,725
524,395,776	515,430,325	522,973,239	512,448,293	538,092,279	564,751,855
31,360,422	43,723,073	127,522,666	133,472,994	71,273,321	44,096,432
13,075,000	13,955,000	20,110,000	17,830,000	42,595,000	17,215,000
12,907,387	21,802,132	26,852,512	23,386,402	22,084,519	22,387,746
-	887,791	1,075,953	-	190,630	426,671
581,738,585	595,798,321	698,534,370	687,137,689	674,235,749	648,877,704
(2,399,073)	(14,214,784)	(99,455,501)	(106,503,872)	(73,959,238)	(35,092,270)
191,260,000	141,800,000	-	-	22,930,000	48,760,000
-	-	39,960,000	-	-	580,000
5,336,620	1,193,154	4,557,196	-	3,170,002	6,179,106
(29,083)	-	-	-	-	-
(3,000,000)	(9,285,000)	(76,180,000)	(37,790,000)	-	(592,979)
-	-	-	-	-	-
-	427,431	268,111	350,877	1,716,015	1,319,650
182,742,671	178,170,320	45,048,382	62,519,291	58,629,955	59,978,723
(182,874,588)	(181,794,428)	(45,180,299)	(62,651,208)	(63,139,942)	(60,110,640)
193,435,620	130,511,477	(31,526,610)	(37,571,040)	23,306,030	56,113,860
191,036,547	116,296,693	(130,982,111)	(144,074,912)	(50,653,208)	21,021,590
218,586,019	409,711,044	525,706,249	394,799,503	250,382,283	200,125,823
88,478	(301,488)	75,365	(342,308)	396,748	444,143
\$ 409,711,044	\$ 525,706,249	\$ 394,799,503	\$ 250,382,283	\$ 200,125,823	\$ 221,591,556
4.60%	6.47%	8.17%	7.40%	11.10%	6.71%
				(4)	

FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years

Fiscal Year

	2005	2006	2007	2008	2009	2010	2011 (2)	2012	2013	2014
General Fund										
Reserved	\$ 4,806,381	\$ 5,526,799	\$ 4,605,335	\$ 4,564,166	\$ 3,372,025	\$ 3,034,222	\$ -	\$ -	\$ -	\$ -
Unreserved	377,923	331,129	139,544	128,190	8,597	49,253	-	-	-	-
Nonspendable	-	-	-	-	-	-	1,304,348	1,060,873	935,247	1,027,783
Restricted	-	-	-	-	-	-	1,864,289	2,990,924	1,527,850	984,780
Assigned	-	-	-	-	-	-	15,440,778	13,265,618	13,757,749	6,687,905
Unassigned	-	-	-	-	-	-	16,836,650	19,267,946	17,346,150	20,329,041
Total general fund	5,184,304	5,857,928	4,744,879	4,692,356	3,380,622	3,083,475	35,446,065	36,585,361	33,566,996	29,029,509
All Other Governmental Funds										
Reserved	(1) \$ 113,942,186	\$ 95,624,633	\$ 112,138,906	\$ 99,579,568	\$ 104,724,314	\$ 138,469,242	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	48,820,139	46,917,622	54,587,911	56,852,402	59,097,752	61,985,141	-	-	-	-
Capital projects funds	19,057,008	32,226,352	26,522,998	35,605,271	215,643,501	292,076,658	-	-	-	-
Debt service funds	21,922,778	21,526,253	21,463,133	21,856,423	26,864,855	30,091,733	-	-	-	-
Nonspendable	-	-	-	-	-	-	829,014	730,181	1,252,555	1,604,162
Restricted, reported in:										
Special revenue funds	-	-	-	-	-	-	47,292,756	46,728,832	40,690,923	35,374,191
Capital projects funds	-	-	-	-	-	-	247,089,000	139,146,479	93,606,826	123,467,411
Debt service funds	-	-	-	-	-	-	64,142,668	27,191,430	31,008,523	32,116,572
Unassigned, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	(289)
Total all other governmental funds	203,742,111	196,294,860	214,712,948	213,893,664	406,330,422	522,622,774	359,353,438	213,796,922	166,558,827	192,562,047
Total Fund Balances	\$208,926,415	\$202,152,788	\$219,457,827	\$218,586,020	\$409,711,044	\$525,706,249	\$394,799,503	\$250,382,283	\$200,125,823	\$221,591,556

(1) Increased substantially in 2010 due to the issuance of general obligation bonds.

(2) Effective June 2011, the District implemented GASB statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. Please refer to the footnote section of the CAFR for more discussion and presentation.

(3) Decreases in FY 2012 and FY 2013 are due to completion of bond projects. The increase in FY 2014 is due to additional bond projects as a result of a new bond issue.

(4) Decrease in FY 2012 is due to call of the Series 2001 bond.

(5) Increase in FY 2012 is due to increased grant funds.

(6) Decrease in FY 2014 is due to a reduction in encumbrances that were primarily related to furnishing and equipping new schools.

SCHEDULE OF CHANGES IN NET POSITION
Last Ten Fiscal Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010 (3)	2011	2012	2013	2014
Expenses										
Governmental activities:										
Instruction	\$ 240,980,556	\$ 269,482,620	\$ 288,593,364	\$ 302,662,754	\$ 311,741,071	\$ 304,175,635	\$ 324,059,324	\$ 304,492,992	\$ 310,436,796	\$ 346,685,389
Student and instructional support	51,098,489	62,343,417	72,536,322	74,397,253	80,905,216	75,254,586	72,600,464	66,154,324	70,466,957	75,391,283
Administration	31,520,542	34,469,634	36,072,351	37,438,148	43,170,671	41,377,798	42,705,447	36,896,438	39,567,265	42,055,747
Operations and maintenance	51,708,259	59,667,037	61,284,641	66,225,149	72,110,571	66,482,872	65,617,612	65,131,662	69,226,727	82,520,406
Student transportation services	18,305,064	19,070,619	19,525,900	20,280,150	22,040,131	26,574,028	25,302,589	27,485,148	26,044,801	29,159,038
Nutrition services	16,080,432	17,459,840	17,218,179	17,608,651	19,661,902	19,199,980	18,782,975	20,661,401	20,636,334	20,958,861
Interest on long-term debt	13,191,484	13,483,218	12,964,777	12,305,156	12,530,101	22,752,909	24,252,596	21,162,287	19,928,885	20,303,268
Total primary government expenses	\$ 422,884,826	\$ 475,976,385	\$ 508,195,434	\$ 530,917,261	\$ 562,159,663	\$ 555,817,808	\$ 573,321,007	\$ 541,984,252	\$ 556,307,765	\$ 617,074,002
Program Revenues										
Governmental activities:										
Charges for services										
Instruction	\$ 1,934,840	\$ 2,313,309	\$ 1,597,191	\$ 1,696,780	\$ 2,481,255	\$ 2,216,342	\$ 1,964,420	\$ 2,060,864	\$ 1,993,694	\$ 7,138,221
Student and instructional support	-	43,879	64,213	69,216	75,060	108,982	82,619	37,294	108,400	78
Operations and maintenance	-	-	620,856	-	-	-	-	-	-	-
Nutrition services	3,479,329	3,684,387	3,729,021	3,795,630	3,936,241	3,564,996	3,126,797	3,217,442	3,193,524	3,281,889
Operating grants and contributions	121,615,572	129,019,748	137,195,513	131,716,012	132,872,905	261,912,962	270,853,079	245,991,467	249,460,514	256,161,515
Capital grants and contributions	-	-	-	-	-	-	-	6,487,575	4,145,271	1,211,708
Total primary government program revenues	\$ 127,029,741	\$ 135,061,323	\$ 143,206,794	\$ 137,277,638	\$ 139,584,058	\$ 267,803,282	\$ 276,026,915	\$ 257,794,642	\$ 258,901,403	\$ 267,793,411
Net (Expense)/Revenue										
Total primary government net expense	\$ (295,855,085)	\$ (340,915,062)	\$ (364,988,640)	\$ (393,639,623)	\$ (422,575,605)	\$ (288,014,526)	\$ (297,294,092)	\$ (284,189,610)	\$ (297,406,362)	\$ (349,280,591)
General Revenue and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes levied for general purposes	\$ 81,149,862	\$ 86,151,743	\$ 90,871,364	\$ 101,568,385	\$ 104,914,577	\$ 103,899,233	\$ 102,754,794	\$ 107,564,069	\$ 110,710,176	\$ 116,349,986
Property taxes levied for debt service	17,941,189	16,376,108	16,647,085	16,996,667	17,326,543	25,692,971	25,678,590	27,004,292	27,056,492	22,963,346
Property taxes levied for capital outlay	16,726,684	18,172,469	19,015,981	20,070,805	20,528,768	20,263,062	19,758,213	17,678,313	13,927,348	12,758,934
State and federal aid not restricted to specific purposes	181,679,715	216,831,104	238,790,846	271,060,471	288,520,092	158,961,172	168,080,171	168,235,282	181,557,719	188,824,383
State aid received for debt service (principal)	-	-	-	-	-	-	-	4,814,100	5,608,500	6,023,100
Earnings on investments	3,506,757	6,569,625	11,760,389	11,069,066	5,950,637	2,629,093	2,598,057	919,021	279,178	397,061
Sale of property	-	-	-	-	519,592	427,431	-	-	-	-
Miscellaneous	365,694	3,243,512	6,964,396	3,803,513	2,243,939	2,397,458	4,268,466	1,331,039	1,598,306	1,114,160
Total primary government general revenue	\$ 301,369,901	\$ 347,344,561	\$ 384,050,061	\$ 424,568,907	\$ 440,004,148	\$ 314,270,420	\$ 323,138,291	\$ 327,546,116	\$ 340,737,719	\$ 348,430,970
Change in Net Position										
Total primary government	\$ 5,514,816	\$ 6,429,499	\$ 19,061,421	\$ 30,929,284	\$ 17,428,543	\$ 26,255,894	\$ 25,844,199	\$ 43,356,506	\$ 43,331,357	\$ (849,621)

- The District's expenses for instruction increased significantly from FY 2005 to FY 2009 as a result of the Board initiative to reduce class size and to expand all-day kindergarten to all elementaries. FY 2010 and FY 2012 reductions are due to State aid cuts. FY 2011 increase is due to Federal funds.
- The District receives Federal dollars for nine Title funding sources, special education, and other grants including the American Reinvestment and Recovery Act (ARRA) in 2010 and 2011.
- Starting in FY 2010, State aid generated for at-risk, bilingual, virtual, and special education formerly reported in State and federal aid not restricted to specific purposes is reflected in operating grants and contributions. FY 2010 has been restated for comparison purposes.
- The increase in 2010 is due to additional bond issuances.
- Amounts shown are primarily attributable to FEMA funding of storm shelters. FY 2013 and FY 2014 also include funding from Grace Med Health Clinic and the Department of Human Resources & Services Administration for construction of health clinics at school sites to serve students and staff at those schools and the surrounding community.
- The increase in FY 2014 is due to a net impairment gain related to a fire in a school building and a change in the method in which Latchkey fees are handled.
- The FY 2007 amount is attributable to a grant.
- Decreases in investment earnings since FY 2008 are due to lower interest rates caused by the economic downturn, as well as reduced balances resulting from reductions in state funding.
- The increase in FY 2014 is a result of two primary factors: 1) A considerably higher number of roof repairs related to hail damage than in prior years, and, 2) Expensing many small items that did not meet the District's capitalization threshold (replacements of items destroyed in a school fire).

NET POSITION BY COMPONENT
Last Ten Fiscal Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities:										
Net Investment in Capital Assets	(1) \$ 154,106,269	\$ 154,197,454	\$ 161,312,922	\$ 187,115,043	\$ 196,865,922	\$ 217,714,525	\$ 243,866,697	\$ 264,879,340	\$ 312,942,740	\$ 334,998,662
Restricted for:										
Instruction and Support Services	(4) -	-	-	-	-	15,697,614	15,930,095	13,881,209	11,911,677	9,823,734
Facilities and Capital Projects	(4) 27,479,415	37,011,527	47,095,103	45,950,586	45,465,264	42,982,926	39,494,516	35,472,632	32,701,407	31,760,044
Debt Service	(3) 17,632,788	17,008,732	17,141,033	17,740,086	22,024,806	23,372,779	20,876,849	22,492,365	24,403,113	23,254,437
Self-Insurance Claims	17,130,181	16,706,808	12,961,056	21,335,065	35,507,219	43,074,689	37,992,028	41,601,378	45,230,277	41,545,589
Special Education	(6) 6,894,553	5,012,196	5,471,933	6,133,161	4,760,509	3,555,567	3,370,405	12,472,770	8,568,239	6,028,150
Nutrition Services	5,928,234	6,023,978	6,804,350	7,752,836	7,991,437	9,407,307	10,284,378	12,093,756	11,785,330	12,905,249
Federal and State Grant Programs	3,690,735	3,780,053	6,869,432	4,169,193	3,708,684	2,288,903	1,823,584	2,180,807	1,510,421	948,423
Other	(4) 3,463,744	4,132,037	4,095,826	3,830,003	4,053,911	-	-	-	-	-
Unrestricted	(5) (7,781,449)	(8,898,816)	(7,716,265)	(9,061,299)	(17,984,535)	(29,445,199)	(19,145,242)	(7,224,441)	(10,164,684)	(23,225,389)
Total Primary Government Net Position	\$ 228,544,470	\$ 234,973,969	\$ 254,035,390	\$ 284,964,674	\$ 302,393,217	\$ 328,649,111	\$ 354,493,310	\$ 397,849,816	\$ 438,888,520	\$ 438,038,899

- (1) Increases in 2008-2014 are attributable to projects for the 2008 bond election.
- (2) The capital outlay mill levy was lowered to 6 mills in FY 2012, 4.5 mills in FY 2013 and 4.3 mills in FY 2014 due to elimination of State equalization.
- (3) During 2009 and subsequent years, the District issued general obligation bonds authorized by the 2008 referendum, creating an increase in the amount restricted for debt service.
- (4) In 2004, the Board approved two special levies to pay for costs related to bond projects. Those new levies were for special assessments and liability costs. The Board stopped levying a tax for the Special Assessments fund in FY 2006 and for the Special Liability fund in FY 2007, as the accumulated cash balance in each of these funds was deemed adequate to meet expected spending requirements. In FY 2011, the special assessments are included in Capital Projects and the special liability in Instruction and Support Services. The 2010 year was restated for comparison purposes.
- (5) Funding of Other Post Employment Benefits (OPEB) through an irrevocable trust in FY 2011 reduced liabilities, therefore increasing unrestricted net position. The decrease in FY 2014 is primarily due to an increase in early retirement and OPEB liabilities and a decrease in the State Intervention fund balance as a result of lower state aid revenue and increased costs.
- (6) The increase in FY 2012 is due primarily to reduced liabilities as a result of funding retiree obligations in an irrevocable trust.

STATE REVENUE BY SOURCE, GOVERNMENTAL FUNDS
Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:										
Unrestricted state school aid	(3) \$161,219,001	\$182,991,040	\$191,116,443	\$195,068,882	\$194,862,053	\$155,681,924	\$161,195,704	\$166,627,015	\$175,658,938	\$183,371,138
Transportation aid	5,819,996	7,076,411	7,185,752	7,619,945	7,547,320	8,149,174	8,680,691	8,520,120	8,331,530	8,412,896
New facilities aid	9,146,425	8,269,648	4,690,629	5,497,687	6,745,967	2,831,488	1,686,611	1,327,536	5,742,032	5,288,380
Juvenile detention centers aid	764,874	810,344	1,085,906	872,176	721,600	1,144,338	1,073,505	901,894	925,691	811,353
eSchool virtual education aid	-	-	-	-	1,004,960	1,287,852	1,775,587	1,804,194	960,651	867,388
Unrestricted state grant	-	50,315	1,126,662	530,491	241,483	402,287	174,017	113,942	156,749	157,259
Special education aid	27,720,358	30,496,167	32,233,561	38,155,049	39,141,960	36,851,423	38,145,500	41,081,697	42,635,958	42,147,885
State intervention aid	(4) 10,139,216	21,941,855	41,507,058	55,346,409	67,786,840	68,579,121	69,893,955	69,194,034	72,091,073	70,684,066
Capital outlay aid	-	-	-	-	-	-	-	1,126	-	-
Bond and interest aid	4,752,976	5,015,699	5,276,507	5,534,460	5,702,065	7,503,304	9,885,746	9,607,117	10,758,658	12,313,084
4-year-old aid	3,132,893	3,643,992	3,943,408	3,941,734	4,105,200	3,839,235	3,763,772	3,613,680	3,669,128	3,669,129
Bilingual education aid	(5) 2,258,696	4,615,439	5,192,277	6,015,125	6,431,920	6,972,454	7,764,158	7,774,704	8,485,818	8,960,195
Latchkey aid	-	-	-	-	-	-	-	2,794	-	-
School food assistance aid	232,294	245,512	224,687	224,531	219,542	220,170	186,769	268,064	265,169	254,700
Parents as teachers aid	464,133	476,517	512,517	534,037	504,419	510,130	505,311	158,388	328,742	467,251
Vocational education aid	2,603,276	3,429,439	3,543,350	3,528,068	3,352,800	3,047,114	2,970,073	2,823,661	3,015,406	3,079,029
KPERS contributions	(1) 11,684,394	14,136,316	17,573,703	20,741,982	22,980,806	23,560,267	26,198,202	27,143,675	29,514,193	33,625,196
New teacher mentoring aid	-	199,000	119,650	154,200	181,300	163,950	136,010	-	-	-
State safety aid	142,074	158,067	150,870	187,110	63,270	80,146	107,596	-	-	-
Professional development aid	-	51,862	181,778	202,763	246,117	-	-	-	-	-
Total revenues	\$240,080,606	\$283,607,623	\$315,665,158	\$344,154,649	\$361,839,622	\$320,824,377	\$334,143,207	\$340,963,641	\$362,539,736	\$374,108,949

(1) Until 2005, the State-funded retirement contributions were reflected only in the State of Kansas' financial statements.

(2) The State created a new fund in 2008-09. This funding was previously included in General fund state aid.

(3) Increase in 2011 was to partially offset loss of Federal stimulus funds.

(4) Increases are due to the continual increase in low-income students, as well as increased State support in fiscal years 2006, 2007, 2008, and 2009 as a result of litigation.

(5) Increases are due to the increasing population of non-English speaking students.

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

ASSESSMENT YEAR	FISCAL YEAR	REAL ESTATE		PERSONAL PROPERTY		UTILITIES	
		ASSESSED VALUE	ESTIMATED ACTUAL	ASSESSED VALUE	ESTIMATED ACTUAL	ASSESSED VALUE	ESTIMATED ACTUAL
2004	04-05	\$ 1,837,435,115	\$ 12,519,819,150	\$ 269,403,548	\$ 1,113,964,990	\$ 125,301,859	\$ 379,702,603
2005	05-06	\$ 1,918,088,014	\$ 13,086,451,165	\$ 270,024,335	\$ 1,106,798,710	\$ 126,598,384	\$ 383,631,467
2006	06-07	\$ 2,036,564,191	\$ 13,855,902,336	\$ 277,058,468	\$ 1,131,552,250	\$ 115,268,505	\$ 349,298,500
2007	07-08	\$ 2,185,182,888	\$ 14,786,244,452	\$ 247,127,236 (1)	\$ 1,009,502,060	\$ 108,828,981	\$ 329,784,791
2008	08-09	\$ 2,322,494,446	\$ 15,642,326,869	\$ 221,441,353 (1)	\$ 902,729,020	\$ 103,994,384	\$ 315,134,497
2009	09-10	\$ 2,340,441,483	\$ 15,788,965,358	\$ 189,036,315 (1)	\$ 773,093,070	\$ 97,345,467	\$ 294,896,264
2010	10-11	\$ 2,362,820,942	\$ 14,649,324,104	\$ 170,890,808	\$ 693,743,421	\$ 96,366,014	\$ 292,018,224
2011	11-12	\$ 2,365,110,474	\$ 14,702,894,910	\$ 165,764,736	\$ 675,149,506	\$ 96,822,040	\$ 293,400,121
2012	12-13	\$ 2,328,927,428	\$ 15,611,009,918	\$ 165,057,510	\$ 673,661,397	\$ 94,402,828	\$ 286,069,176
2013	13-14	\$ 2,333,941,129	\$ 15,608,994,798	\$ 161,497,623	\$ 658,989,846	\$ 90,417,460	\$ 273,992,303

ASSESSMENT YEAR	FISCAL YEAR	TOTAL		RATIO OF TOTAL ASSESSED TO TOTAL	
		ASSESSED VALUE	ESTIMATED ACTUAL	ESTIMATED ACTUAL	DIRECT TAX RATE
2004	04-05	\$ 2,232,140,522	\$ 14,013,486,743	15.93%	51.296
2005	05-06	\$ 2,314,710,733	\$ 14,576,881,342	15.88%	51.300
2006	06-07	\$ 2,428,891,164	\$ 15,336,753,086	15.84%	51.296
2007	07-08	\$ 2,541,139,105	\$ 16,125,531,303	15.76%	53.238
2008	08-09	\$ 2,647,930,183	\$ 16,860,190,386	15.71%	53.309
2009	09-10	\$ 2,626,823,265	\$ 16,857,044,692	15.58%	56.850
2010	10-11	\$ 2,630,077,764	\$ 15,635,085,749	16.82%	56.928
2011	11-12	\$ 2,627,697,250	\$ 15,671,444,537	16.77%	57.017
2012	12-13	\$ 2,588,387,766	\$ 16,570,740,491	15.62%	57.184
2013	13-14	\$ 2,585,856,212	\$ 16,541,976,947	15.63%	57.215

Source: Sedgwick County Clerk

(1) The State removed some personal property from the tax rolls.

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(Per \$1,000 of Assessed Value)
Last Ten Fiscal Years

ASSESSMENT YEAR (1)	USD 259 FISCAL YEAR	USD 259							TOTAL USD 259
		GENERAL	SUPPL. GENERAL	CAPITAL OUTLAY	BOND & INTEREST	ADULT EDUCATION	SPECIAL ASSESSMENT (5)	SPECIAL LIABILITY (4)	
2004	04-05	20,000	16,257	6,990	6,974	0.499	0.209	0.367	51,296
2005	05-06	20,000	17,679	7,000	6,007	0.500	-	0.114	51,300
2006	06-07	20,000	18,341	7,000	5,955	-	-	-	51,296
2007	07-08	20,000	20,356	7,000	5,882	-	-	-	53,238
2008	08-09	20,000	20,411	7,000	5,898	-	-	-	53,309
2009	09-10	20,000	20,439	7,000	9,411 ⁽³⁾	-	-	-	56,850
2010	10-11	20,000	20,482	7,015	9,431	-	-	-	56,928
2011	11-12	20,000	21,549 ⁽⁶⁾	6,014 ⁽⁶⁾	9,454	-	-	-	57,017
2012	12-13	20,000	23,154 ⁽⁶⁾	4,534 ⁽⁶⁾	9,496	-	-	-	57,184
2013	13-14	20,000	25,200 ⁽⁷⁾	4,254 ⁽⁷⁾	7,761 ⁽⁷⁾	-	-	-	57,215

OTHER OVERLAPPING GOVERNMENTS (2)

ASSESSMENT YEAR (1)	USD 259 FISCAL YEAR	STATE & COUNTY	CITY OF WICHITA	CITY OF BEL AIRE	CITY OF EASTBOROUGH	CITY OF KECHI	CITY OF PARK CITY
2004	04-05	30,263	31,828	21,975	35,006	18,431	36,178
2005	05-06	30,258	31,898	22,831	37,642	18,246	35,043
2006	06-07	32,815	31,953	23,959	58,221	21,154	37,236
2007	07-08	32,833	31,979	33,503	60,252	24,037	37,145
2008	08-09	31,877	32,056	34,908	62,241	23,954	37,450
2009	09-10	31,368	32,142	35,970	58,351	33,857	37,332
2010	10-11	30,859	32,272	39,050	57,944	33,774	37,395
2011	11-12	30,928	32,359	46,118	59,999	33,676	37,792
2012	12-13	30,946	32,471	46,162	62,073	33,714	39,607
2013	13-14	30,877	32,509	45,695	64,597	33,706	39,890

Source: Sedgwick County Clerk

- (1) The year shown is the year in which taxes are levied for collection in the following calendar year.
 (2) Overlapping rates are those of local and county governments that apply to property owners within the boundary of USD 259.
 (3) In April 2008, the community approved a \$370 million bond issue.
 (4) Taxes were levied in 2004 and 2005 for the purpose of funding District liability costs including cleanup of underground water pollution.
 (5) Lew was assessed to pay special assessments for bond-related costs of streets and sewers.
 (6) In 2011, one mill for technology was moved from the Capital Outlay fund to the Supplemental General fund. An additional 1.5 mills were moved in 2012. The State of Kansas is no longer funding capital outlay, so the mills were moved to maximize the state aid that could be received in the Supplemental General fund without impacting the overall mill levy.
 (7) The Bond & Interest and Capital Outlay mill levies were reduced in order to increase the Supplemental General mill levy for the purpose of maximizing the Supplemental General state aid. This is intended to be a one-year change.

Statistical Section

PRINCIPAL PROPERTY TAXPAYERS Current Year and Nine Years Ago For the Year Ended December 31,

TAXPAYER	2004			2013 (1)		
	TAXABLE ASSESSED VALUATION	Rank	PERCENT OF TOTAL ASSESSED VALUATION	TAXABLE ASSESSED VALUATION	Rank	PERCENT OF TOTAL ASSESSED VALUATION
Hawker Beechcraft Corp. (2)	-	-	-	\$ 37,462,751	1	1.45%
Cessna Aircraft Co.	22,502,033	5	1.01%	36,857,038	2	1.43%
Kansas Gas & Electric	38,878,864	2	1.74%	35,186,516	3	1.36%
Wesley Medical Center LLC	36,803,826	3	1.65%	26,754,097	4	1.03%
Simon Property Group	30,464,043	4	1.36%	23,787,290	5	0.92%
Kansas Gas Service - A Division of Oneok	12,745,112	7	0.57%	19,102,765	6	0.74%
Southwestern Bell Telephone Co.	42,050,917	1	1.88%	16,317,781	7	0.63%
Koch Real Estate Holdings, Inc.	10,018,043	8	0.45%	5,540,833	8	0.21%
City of Wichita	-	-	-	5,340,410	9	0.21%
BACM 2005-3 Main Woodlawn LLC (3)	-	-	-	5,340,000	10	0.21%
Raytheon Aircraft Company (2)	19,396,139	6	0.87%	-	-	-
Builders, Inc.	8,965,844	9	0.40%	-	-	-
Bradley Fair One LLC	6,346,950	10	0.28%	-	-	-
Total	<u>\$ 228,171,771</u>		<u>10.21%</u>	<u>\$ 211,689,481</u>		<u>8.19%</u>
Total Assessed Value	\$2,232,140,522			\$ 2,585,856,212		

Source: Sedgwick County Clerk - Sedgwick County 2013 tax roll

(1) Data for 2014 is not available until December.

(2) Hawker Beechcraft Corporation's property was formerly owned by Raytheon Aircraft Company.

(3) BACM 2005-3 Main Woodlawn LLC's property was formerly owned by IPC Wichita Properties, which was not in the top ten taxpayers in 2004.

PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

ASSESSMENT YEAR	COLLECTION YEAR	TOTAL TAX LEVY (1)	CURRENT TAX COLLECTIONS (2)	PERCENT OF LEVY COLLECTED
2004	2005	\$ 107,582,230	\$ 103,354,047	96.07%
2005	2006	\$ 112,246,319	\$ 107,905,865	96.13%
2006	2007	\$ 118,198,862	\$ 114,338,778	96.73%
2007	2008	\$ 128,846,365	\$ 121,305,025	94.15%
2008	2009	\$ 133,916,687	\$ 127,433,823	95.16%
2009	2010	\$ 142,023,772	\$ 136,492,306	96.11%
2010	2011	\$ 143,768,168	\$ 135,624,083	94.34%
2011	2012	\$ 145,056,331	\$ 136,021,698	93.77%
2012	2013	\$ 143,292,358	\$ 135,979,816	94.90%
2013	2014	\$ 143,021,721	\$ 131,776,415 (5)	92.14% (5)

ASSESSMENT YEAR	COLLECTION YEAR	DELINQUENT TAX COLLECTIONS (2) (3)	TOTAL TAX COLLECTED	PERCENT OF TOTAL TAX COLLECTED TO LEVY
2004	2005	\$ 2,125,466	\$ 105,479,513	98.05%
2005	2006	\$ 2,408,840	\$ 110,314,705	98.28%
2006	2007	\$ 2,705,282	\$ 117,044,060	99.02%
2007	2008	\$ 3,154,760	\$ 124,459,785	96.60%
2008	2009	\$ 3,736,413	\$ 131,170,236	97.95%
2009	2010	\$ 2,284,364	\$ 138,776,670	97.71%
2010	2011	\$ 3,808,854	\$ 139,432,937	96.98%
2011	2012	\$ 4,406,040	\$ 140,427,738	96.81%
2012	2013	\$ 4,403,176	\$ 140,382,992	97.97%
2013	2014	N/A (4)	N/A (4)	N/A (4)

(1) Source: Sedgwick County Treasurer.

(2) Source: District Tax Year Report.

(3) All delinquent taxes collected in a year are applied to the previous year, as they are assumed to be predominantly related to that year.

(4) Information is not applicable, as all delinquent amounts collected during the year were for taxes assessed in previous years. No current year taxes are yet delinquent.

(5) Includes only the taxes collected during the period of January 1 through the District's June 30 fiscal year-end.

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT
For the Year Ended June 30, 2014**

GOVERNMENT UNITS	AMOUNT OF DEBT OUTSTANDING (2)	PERCENTAGE APPLICABLE TO TAXPAYERS OF USD 259	TOTAL DIRECT AND OVERLAPPING DEBT
Overlapping Debt:			
Sedgwick County	\$64,055,000	60.12% (1)	\$38,510,521
City of Wichita	506,525,000	70.51% (1)	357,130,213
City of Bel Aire	21,805,000	98.82% (1)	21,547,188
City of Eastborough	785,000	100.00% (1)	785,000
City of Kechi	6,355,000	78.15% (1)	4,966,735
City of Park City	21,900,000	73.46% (1)	16,087,764
Sub-total			<u>\$439,027,421</u>
Direct Debt:			
USD 259	484,800,076 (3)	100.00%	<u>484,800,076</u>
Total Direct and Overlapping Debt			<u>\$923,827,497</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of USD 259. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property owners of USD 259.

(1) The percentage of overlapping debt applicable to taxpayers of USD 259 is estimated using assessed valuations. For Sedgwick County, since 100 percent of USD 259 lies within Sedgwick County, the District's total assessed valuation was divided by the County's assessed valuation to determine the percentage of the County's debt applicable to taxpayers of the District. For all other entities, the portion of each entity's assessed valuation that is related to property located within USD 259 boundaries was divided by the entity's total assessed valuation.

(2) Source: Sedgwick County Clerk

(3) Includes premiums, discounts and deferred charge on refunding.

Statistical Section

RATIO OF NET GENERAL BONDED DEBT OUTSTANDING Last Ten Fiscal Years

ASSESSMENT YEAR	FISCAL YEAR	POPULATION (1)	TOTAL DISTRICT ENROLLMENT (2)	TOTAL ESTIMATED ACTUAL VALUE	GENERAL OBLIGATION DEBT (3)	GENERAL OBLIGATION DEBT AS PERCENTAGE OF PERSONAL INCOME	BONDED DEBT PER CAPITA
2004	04-05	353,823	48,818	\$ 14,013,486,743	\$ 318,674,233	4.03%	\$ 901
2005	05-06	354,865	48,865	\$ 14,576,881,342	\$ 307,298,634	3.77%	\$ 866
2006	06-07	357,698	48,770	\$ 15,336,753,086	\$ 295,133,035	3.63%	\$ 825
2007	07-08	361,016	48,705	\$ 16,125,531,303	\$ 282,167,436	3.13%	\$ 782
2008	08-09	356,564	49,146	\$ 16,860,190,386	\$ 461,558,975	5.42%	\$ 1,294
2009	09-10	359,306	50,042	\$ 16,857,044,692	\$ 579,496,211	6.38%	\$ 1,613
2010	10-11	383,142	50,033	\$ 15,635,085,749	\$ 525,674,860	5.88%	\$ 1,372
2011	11-12	384,439	50,103	\$ 15,671,444,537	\$ 468,413,312	5.24%	\$ 1,218
2012	12-13	385,586	50,639	\$ 16,570,740,491	\$ 449,856,476	4.77%	\$ 1,167
2013	13-14	386,558	51,169	\$ 16,541,976,947	\$ 484,800,076	5.12%	\$ 1,254

ASSESSMENT YEAR	FISCAL YEAR	DEBT SERVICE FUNDS AVAILABLE	NET BONDED DEBT	NET BONDED DEBT TO ESTIMATED ACTUAL VALUE	NET BONDED DEBT PER CAPITA	NET BONDED DEBT PER PUPIL
2004	04-05	\$ 17,632,788	\$ 301,041,445	2.15%	\$ 851	\$ 6,167
2005	05-06	\$ 17,008,732	\$ 290,289,902	1.99%	\$ 818	\$ 5,941
2006	06-07	\$ 17,141,033	\$ 277,992,002	1.81%	\$ 777	\$ 5,700
2007	07-08	\$ 17,740,086	\$ 264,427,350	1.64%	\$ 732	\$ 5,429
2008	08-09	\$ 22,024,806	\$ 439,534,169	2.61%	\$ 1,233	\$ 8,943
2009	09-10	\$ 23,372,779	\$ 556,123,432	3.30%	\$ 1,548	\$ 11,113
2010	10-11	\$ 20,876,849	\$ 504,798,011	3.23%	\$ 1,318	\$ 10,089
2011	11-12	\$ 22,492,365	\$ 445,920,947	2.85%	\$ 1,160	\$ 8,900
2012	12-13	\$ 24,403,113	\$ 425,453,363	2.57%	\$ 1,103	\$ 8,402
2013	13-14	\$ 23,254,437	\$ 461,545,639	2.79%	\$ 1,194	\$ 9,020

(1) Source: U.S. Census Bureau, 2013 American Community Survey 1-Year Estimate

(2) Source: USD 259 Student Records and Enrollment Services - 9/20 Official Enrollment Report

(3) Includes premiums, discounts and deferred charge on refunding.

LEGAL DEBT MARGIN
Last Ten Fiscal Years Ended June 30,

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Assessed Value (1)	\$2,232,140,522	\$2,314,710,733	\$2,428,891,164	\$2,541,139,105	\$2,647,930,183	\$2,626,823,265	\$2,630,077,764	\$2,627,697,250	\$2,588,387,766	\$2,585,856,212
Taxable Value of Motor Vehicles (1)	299,153,659	302,983,192	309,793,961	317,624,387	323,268,835	317,561,667	305,480,828	298,653,431	299,263,978	305,928,045
Total Assessed Valuation (2)	\$2,531,294,181	\$2,617,693,925	\$2,738,685,125	\$2,858,763,492	\$2,971,199,018	\$2,944,384,932	\$2,935,538,592	\$2,926,350,681	\$2,887,651,744	\$2,891,784,257
Bonded Debt Limit Percentage (3)	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Bonded Statutory Debt Limit	\$ 354,381,185	\$ 366,477,150	\$ 383,415,918	\$ 400,226,889	\$ 415,967,863	\$ 412,213,890	\$ 410,975,403	\$ 409,689,095	\$ 404,271,244	\$ 404,849,796
Plus: Additional Authority (4)	0	0	0	0	0	87,511,110	65,504,597	48,960,905	32,713,615	61,759,717
Legal Debt Limit	\$ 354,381,185	\$ 366,477,150	\$ 383,415,918	\$ 400,226,889	\$ 415,967,863	\$ 499,725,000	\$ 476,480,000	\$ 458,650,000	\$ 436,984,859	\$ 466,609,513
Amount of Outstanding Debt (5)	\$ 311,260,000	\$ 300,585,000	\$ 289,120,000	\$ 276,855,000	\$ 452,040,000	\$ 570,600,000	\$ 514,270,000	\$ 458,650,000	\$ 438,985,000	\$ 470,610,000
Less: Amount in Sinking Fund	0	0	0	0	0	0	0	0	2,000,141	4,000,487
Less: Debt Not Applicable To the Limit (Crossover Advance Refunding)	70,875,000	70,875,000	70,875,000	70,875,000	70,875,000	70,875,000	37,790,000	0	0	0
Total Debt Applicable to the Limit	\$ 240,385,000	\$ 229,710,000	\$ 218,245,000	\$ 205,980,000	\$ 381,165,000	\$ 499,725,000	\$ 476,480,000	\$ 458,650,000	\$ 436,984,859	\$ 466,609,513
Legal Debt Margin	\$ 113,996,185	\$ 136,767,150	\$ 165,170,918	\$ 194,246,889	\$ 34,802,863	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Debt Applicable To the Limit as a Percentage of Debt Limit	67.83%	62.68%	56.92%	51.47%	91.63%	100.00%	100.00%	100.00%	100.00%	100.00%

(1) Source: Sedgwick County Clerk as of December 31, 2013.

(2) Computed in accordance with K.S.A. 10-310.

(3) K.S.A. 72-6761.

(4) On September 9, 2008, the State Board of Education approved an additional \$246,682,112 to the legal debt limit of the District, as prescribed by K.S.A. 75-2318. This approval was needed in order for the District to hold an election for the issuance of bonds in the amount of \$370,000,000, which otherwise would have caused the School District's bonded indebtedness to exceed the general obligation bond debt limit. The increased authority applies only to bonds issued under the 2008 election, is valid as long as debt related to that election is outstanding, and cannot be used for a future election to issue additional debt. Therefore, the amount of the additional authority reflected is adjusted annually (not to exceed \$246,682,112) to arrive at a Legal Debt Margin of zero.

(5) As of June 30, 2014.

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL CURRENT
GOVERNMENTAL EXPENDITURES**
Last Ten Fiscal Years

FISCAL YEAR	PRINCIPAL	INTEREST AND FISCAL CHARGES	TOTAL DEBT SERVICE (1)	TOTAL CURRENT GOVERNMENTAL EXPENDITURES	RATIO OF DEBT SERVICE TO TOTAL GENERAL EXPENDITURES
04-05	\$ 9,905,000	\$ 11,699,438	\$ 21,604,438	\$ 385,070,573	5.73%
05-06	\$ 10,675,000	\$ 13,956,286	\$ 24,631,286	\$ 427,160,079	5.77%
06-07	\$ 11,465,000	\$ 13,860,796	\$ 25,325,796	\$ 461,551,330	5.49%
07-08	\$ 12,264,999	\$ 13,211,519	\$ 25,476,518	\$ 502,103,024	5.07%
08-09	\$ 13,075,000	\$ 12,543,847	\$ 25,618,847	\$ 581,738,585	4.40%
09-10	\$ 13,955,000	\$ 21,802,132	\$ 35,757,132	\$ 595,798,321	6.00%
10-11	\$ 20,110,000	\$ 27,928,465	\$ 48,038,465	\$ 522,973,239	9.19%
11-12	\$ 17,830,000	\$ 23,386,402	\$ 41,216,402	\$ 512,448,293	8.04%
12-13	\$ 42,595,000 (2)	\$ 22,275,149	\$ 64,870,149	\$ 538,092,279	12.06%
13-14	\$ 17,215,000	\$ 22,814,417	\$ 40,029,417	\$ 564,751,855	7.09%

Source: USD 259 Audited Financial Statements

(1) Fund included: Debt Service

(2) Increase is due to refunding of general obligation bonds.

**DEMOGRAPHIC STATISTICS
Last Ten Fiscal Years**

CALENDAR YEAR	FISCAL YEAR	CITY OF WICHITA POPULATION (1)	WICHITA TOTAL PERSONAL INCOME	WICHITA PER CAPITA INCOME (1)	CITY OF WICHITA MEDIAN AGE (1)	USD 259 ENROLLMENT (3)
2004	04-05	353,823	\$ 7,902,990,528	\$ 22,336	34.0	48,818
2005	05-06	354,865	\$ 8,143,087,155	\$ 22,947	34.2	48,865
2006	06-07	357,698	\$ 8,131,906,332	\$ 22,734	34.8	48,770
2007	07-08	361,016	\$ 9,018,179,680	\$ 24,980	35.0	48,705
2008	08-09	356,564	\$ 8,509,756,424	\$ 23,866	34.5	49,146
2009	09-10	359,306	\$ 9,086,130,128	\$ 25,288	34.5	50,042
2010	10-11	383,142	\$ 8,942,151,138	\$ 23,339	33.9	50,033
2011	11-12	384,439	\$ 8,930,902,409	\$ 23,231	34.3	50,103
2012	12-13	385,586	\$ 9,431,819,146	\$ 24,461	35.1	50,639
2013	13-14	386,558	\$ 9,471,444,116	\$ 24,502	34.0	51,169

CALENDAR YEAR	FISCAL YEAR	WICHITA TAXABLE RETAIL SALES (4)	WICHITA ELECTRICITY CONSUMED IN KILOWATT HOURS (4)	WICHITA MID-CONTINENT AIRPORT ACTIVITY (4)		CITY OF WICHITA UNEMPLOYMENT RATE (2)
				AIR PASSENGERS INBOUND	AIR PASSENGERS OUTBOUND	
2004	04-05	\$ 7,403,884,865	5,937,341,000	750,723	751,797	5.9%
2005	05-06	\$ 7,730,588,762	6,172,760,000	728,183	722,868	5.0%
2006	06-07	\$ 8,088,252,015	6,217,885,000	755,692	748,662	4.6%
2007	07-08	\$ 8,467,165,395	6,320,720,000	837,479	827,383	4.6%
2008	08-09	\$ 8,287,942,146	5,898,842,000	761,388	754,314	10.1%
2009	09-10	\$ 8,055,177,921	5,884,120,000	765,033	757,477	9.6%
2010	10-11	\$ 8,193,427,230	6,173,909,000	782,485	774,592	8.9%
2011	11-12	\$ 8,685,224,619	6,120,423,000	776,219	771,167	7.8%
2012	12-13	\$ 8,965,184,409	5,839,845,000	743,449	744,037	7.0%
2013	13-14	\$ 9,427,875,142	5,862,989,000	774,736	771,085	6.2%

(1) Source: U.S. Census Bureau, 2013 American Community Survey 1-Year Estimate

(2) Source: Kansas Department of Labor website as of June

(3) Source: USD 259 Student Records and Enrollment Services - 9/20 Official Enrollment Report

(4) Source: Wichita State University Center for Economic Development & Business Research, figures for the Wichita Metropolitan Statistical Area, based on fiscal year ending June 30.

Statistical Section

PRINCIPAL EMPLOYERS Current Year and Nine Years Ago For the Year Ended December 31,

Employer	2004			2013		
	Full-Time Civilian Employees	Rank	Percentage of Total Wichita MSA Employment (1)	Full-Time Civilian Employees	Rank	Percentage of Total Wichita MSA Employment (1)
Spirit AeroSystems, Inc.	(3)	-	-	11,000	1	3.71%
McConnell Air Force Base	-	-	-	6,438	2	2.17%
Via Christi Health System	5,025	5	1.73%	6,393	3	2.16%
Unified School District #259	4,842	6	1.67%	5,482	4	1.85%
Cessna Aircraft Company	8,500	2	2.93%	4,979	5	1.68%
State of Kansas	3,849	7	1.33%	3,969	6	1.34%
Bombardier Aerospace Learjet, Inc.	2,560	10	0.88%	3,400	7	1.15%
Beechcraft	(2)	-	-	3,372	8	1.14%
City of Wichita	3,057	8	1.05%	2,950	9	1.00%
Koch Industries, Inc.	-	-	-	2,900	10	0.98%
United States Government	5,435	4	1.87%	-	-	-
Boeing Company	(3)	12,300	1	-	-	-
Raytheon Aircraft Corporation	(2)	6,462	3	-	-	-
Sedgwick County	2,790	9	0.96%	-	-	-
Totals	54,820		18.89%	50,883		17.18%

Source: Sedgwick County Comprehensive Annual Financial Report

Note: MSA - Metropolitan Statistical Area

Data for 2014 is not available until December.

(1) Includes Sedgwick, Butler, Harvey, Kingman and Sumner counties for 2013. Data for 2004 includes Sedgwick, Butler, Harvey and Sumn

(2) Beechcraft formerly owned by Raytheon Aircraft Corporation.

(3) Spirit AeroSystems, Inc. formerly owned by Boeing.

MISCELLANEOUS STATISTICS
Ten-Year Comparison

Date Established as Unified School District 259 Geographical Area Form of Organization Accreditation	July 1, 1965 152 square miles 7-member board Kansas State Department of Education									
	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
STUDENT DATA										
Elementary school enrollment	23,921	24,047	24,271	24,348	24,926	25,290	25,355	25,476	25,915	26,243
Middle school enrollment	10,243	10,198	9,921	9,730	9,588	9,844	9,951	10,181	10,217	10,267
High school enrollment	12,686	12,823	12,763	12,766	12,771	12,627	12,493	12,330	12,339	12,408
Alternative and special school enrollment	1,968	1,797	1,815	1,861	1,797	2,281	2,234	2,116	2,168	2,251
Average daily attendance	93.2%	94.3%	93.8%	94.0%	94.3%	93.9%	94.3%	94.5%	94.1%	94.0%
Composite ACT scores	20.4	20.3	26.6	20.7	20.4	19.8	19.8	19.7	19.8	19.7
STUDENT/TEACHER RATIOS										
Elementary school	21.5	21.3	21.6	21.0	21.0	20.8	20.6	20.4	19.8	19.7
Middle school	19.3	19.2	18.2	13.1	13.1	13.3	13.4	14.9	14.1	16.1
High school	21.9	23.7	22.3	21.8	21.7	21.5	15.2	17.4	17.4	18.8
RACIAL AND ETHNIC PERCENTAGES OF STUDENTS										
African-American	22.4%	21.5%	20.9%	20.1%	19.9%	19.5%	19.2%	18.6%	18.2%	18.3%
Asian	5.1%	5.1%	5.1%	5.0%	5.3%	4.9%	4.8%	4.7%	4.5%	4.5%
Hispanic	20.1%	21.1%	22.3%	22.2%	23.8%	28.1%	29.6%	31.1%	32.1%	33.1%
Native American-Indian	2.6%	2.6%	2.7%	2.6%	2.5%	1.7%	1.6%	1.4%	1.4%	1.2%
Native Hawaiian	-	-	-	-	-	0.2%	0.1%	0.2%	0.2%	0.5%
Multi Racial	4.5%	4.4%	7.6%	9.8%	10.2%	7.5%	8.0%	8.2%	8.6%	8.3%
White or other	45.3%	45.3%	41.4%	40.3%	38.3%	38.1%	36.7%	35.8%	35.1%	34.0%
MALE/FEMALE PERCENTAGES OF STUDENTS										
Male	51.1%	50.9%	50.8%	53.0%	51.0%	51.1%	51.2%	51.3%	51.4%	50.8%
Female	48.9%	49.1%	49.2%	47.0%	49.0%	48.9%	48.8%	48.7%	48.6%	49.2%
EMPLOYEES										
Instruction	(3) 4,885	5,124	5,354	5,545	5,619	5,652	5,680	5,511	5,568	5,711
Instructional Support	(3) 100	104	111	127	128	117	84	60	56	54
Operations	(4) 877	922	928	918	924	910	899	891	975	973
Other Commitments/Capital Projects	(4) 83	87	87	87	90	95	95	95	24	23
Leadership	(1) 16	18	18	22	23	23	17	18	18	18
LATCHKEY CENTERS	(1) 39	39	43	43	44	45	45	46	48	48
CHILD DEVELOPMENT CENTERS	(2) 10	10	10	10	10	10	9	9	8	8

- (1) Also known as School Age Program Centers. Latchkey centers are run by USD 259. Information provided by Wichita Public Schools.
 (2) Metro Midtown Child Development Center closed at the end of 2009-10, and Metro-Boulevard closed in 2012-13.
 (3) Decreases in 2010-11 and 2011-12 are primarily due to cuts in state and federal aid.
 (4) In 2012-2013, 71 positions were moved from Capital Projects to Operations due to the state eliminating funding for capital outlay.

OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
Instruction										
District-Wide Enrollment	48,818	48,865	48,770	48,705	49,146	50,042	50,033	50,103	50,639	51,169
Enrollment Percentage Change from Base Year (3)	104.8%	104.9%	104.7%	104.6%	105.5%	107.4%	107.4%	107.6%	108.7%	109.9%
Bilingual Enrollment	5,342	5,448	5,573	6,079	6,574	7,309	7,850	8,181	8,686	9,080
Special Education Enrollment	8,687	8,571	8,251	7,853	7,679	7,706	7,812	7,915	7,895	7,936
At-Risk Enrollment	26,247	26,706	26,398	26,654	27,464	30,416	31,668	32,721	33,303	34,402
Days School in Session	170	173	172	171	173	171	167	173	169	169
Student Attendance Percentage (1)	93.2%	94.3%	93.9%	94.0%	94.3%	93.9%	94.2%	94.5%	94.1%	93.9%
Student and Instructional Support										
Percentage of Seniors Graduating (1) (2)	74.7%	77.6%	76.4%	79.3%	80.1%	63.1%	66.2%	74.1%	76.5%	N/A
Administration										
Number of Student Suspensions	10,941	12,434	13,109	12,827	13,697	13,220	12,773	11,391	10,934	10,300
Number of Student Expulsions	106	429	69	139	191	141	138	92	42	20
Operations and Maintenance										
Number of Work Orders Completed	31,169	32,153	34,416	32,172	31,068	29,655	30,878	29,353	29,976	33,066
Transportation										
Number of Students Transported (1)	17,258	20,973	19,559	19,827	19,315	19,175	18,732	18,621	17,998	18,112
Nutrition Services										
Breakfasts Served	1,490,470	1,525,797	1,475,302	1,516,643	1,569,190	1,565,019	1,645,664	1,827,516	1,881,998	2,008,089
Lunches Served	4,832,445	4,999,513	4,993,009	5,029,026	5,264,881	5,339,748	5,336,254	5,575,561	5,336,982	5,493,014

N/A = Not Available

(1) Source: Kansas Department of Education

(2) Graduation data prior to 2008-09 used the National Center for Education Statistics (NCES) formula. 2008-09 graduation data used the No Child Left Behind (NCLB) formula.

2009-10 graduation data and thereafter uses the Four-Year and Five-Year Adjusted Cohort formulas which are significantly different than the NCES and NCLB formulas. Therefore, no comparisons can be made between graduation data from 2009 and earlier and graduation data from 2010 and beyond.

(3) The base year is 1995-96 enrollment of 46,579. This is the point of the lowest enrollment during the prior 20-year period.

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
Instruction										
Elementary Schools (5)	57	56	56	56	56	56	56	56	54	54
K-8 Schools (7)	1	1	1	1	2	2	2	2	3	3
Middle Schools (2)	16	16	16	16	16	16	16	15	15	15
High Schools (3)	11	11	11	11	11	11	10	10	10	10
Alternative and Special Schools (6)	16	16	16	16	16	16	16	13	13	13
Student and Instructional Support										
Number of Computer Servers	281	287	302	321	412	417	438	452	487	476
Number of Microwave Towers	50	49	49	47	47	48	49	49	49	49
Number of Computers (8)	16,423	19,031	21,148	23,628	25,996	28,145	27,053	31,750	37,062	41,368
Administration										
Non-School Buildings (4)	13	15	15	12	12	12	12	11	11	12
Acres of Unimproved Land (1)	0	0	80	80	82	82	349	127	127	127
Operations and Maintenance										
Number of Operational Vehicles Maintained	232	245	244	230	230	245	249	258	251	253
Number of Heavy Equipment Maintained	97	99	106	106	106	106	114	114	115	126
Nutrition Services										
Number of Nutrition Services Vehicles Maintained	24	24	24	24	24	23	23	26	26	26

Indicators are not available for the Transportation program, since the District contracts out student bussing and therefore does not own the assets.

- (1) Land was purchased in 2006-07 and in 2008-09 for the purpose of constructing two new schools. In 2010-11, 267 acres of unimproved land were purchased for three additional new schools, as well as additions and improvements to existing buildings. The decrease in 2011-12 is due to completion of many of these projects.
- (2) Blackbear Bosin Academy closed in 2011-12.
- (3) Metro Midtown closed at the end of 2009-10.
- (4) Kellogg, South Hillside, and Funston properties were sold during 2007-08. Carter property was sold in 2011-12. Opened a Grace Med Clinic at Dodge in 2013-14.
- (5) Funston and Price Magnet closed and Jackson opened in 2004-05. In 2012-13 Bryant, Lincoln, and Emerson closed, and Ortiz opened.
- (6) Leases were not renewed for three sites in 2011-12.
- (7) Gordon Parks Academy opened in 2008-09. Christa McAuliffe Academy opened in 2012-13.
- (8) The increase in 2012-13 is due to a timing issue. Schools have received their new computers but have not yet discarded their old computers.

TEACHER SALARY SCHEDULE
2013-2014

Initial Placement	Step	BA Degree	BA+ 10 Gr.	BA+ 20 Gr.	BA+ 30 Gr.	BA+ Degree	MA+ 10 Gr.	MA+ 20 Gr.	MA+ 30 Gr.	Ed. Sp. or MA+ 40 Gr.	Ed. Sp.+ 50 Gr.	Ed. Sp.+ 60 Gr.	Ed. Sp.+ 20 or MA+ 60 Gr.	Earned
0	2	\$ 38,762	\$ 39,291	\$ 39,821	\$ 40,350	\$ 41,178	\$ 41,708	\$ 42,237	\$ 42,766	\$ 43,296	\$ 43,825	\$ 44,354	\$ 44,884	
1	3	\$ 39,693	\$ 40,223	\$ 40,752	\$ 41,281	\$ 42,409	\$ 42,938	\$ 43,467	\$ 43,997	\$ 44,526	\$ 45,055	\$ 45,585	\$ 46,114	
2	4	\$ 40,625	\$ 41,154	\$ 41,684	\$ 42,213	\$ 43,639	\$ 44,168	\$ 44,697	\$ 45,227	\$ 45,756	\$ 46,286	\$ 46,815	\$ 47,344	
3	5	\$ 41,556	\$ 42,086	\$ 42,615	\$ 43,144	\$ 44,869	\$ 45,398	\$ 45,928	\$ 46,457	\$ 46,986	\$ 47,516	\$ 48,045	\$ 48,574	
4	6	\$ 42,488	\$ 43,017	\$ 43,546	\$ 44,076	\$ 46,099	\$ 46,629	\$ 47,158	\$ 47,687	\$ 48,217	\$ 48,746	\$ 49,275	\$ 49,805	
5	7	\$ 43,419	\$ 43,948	\$ 44,478	\$ 45,007	\$ 47,329	\$ 47,859	\$ 48,388	\$ 48,918	\$ 49,447	\$ 49,976	\$ 50,506	\$ 51,035	
6	8	\$ 44,350	\$ 44,880	\$ 45,409	\$ 45,938	\$ 48,560	\$ 49,089	\$ 49,618	\$ 50,148	\$ 50,677	\$ 51,206	\$ 51,736	\$ 52,265	
7	9	\$ 45,282	\$ 45,811	\$ 46,340	\$ 46,870	\$ 49,790	\$ 50,319	\$ 50,849	\$ 51,378	\$ 51,907	\$ 52,437	\$ 52,966	\$ 53,495	
8	10	\$ 46,743	\$ 47,272	\$ 47,801	\$ 48,330	\$ 51,020	\$ 51,550	\$ 52,079	\$ 52,608	\$ 53,138	\$ 53,667	\$ 54,196	\$ 54,726	
9	11		\$ 48,203	\$ 48,733	\$ 49,262	\$ 52,250	\$ 52,780	\$ 53,309	\$ 53,839	\$ 54,368	\$ 54,897	\$ 55,427	\$ 55,956	
10	12			\$ 49,664	\$ 50,193	\$ 53,481	\$ 54,010	\$ 54,539	\$ 55,069	\$ 55,598	\$ 56,127	\$ 56,657	\$ 57,186	
11	13				\$ 51,125	\$ 54,711	\$ 55,240	\$ 55,770	\$ 56,299	\$ 56,828	\$ 57,358	\$ 57,887	\$ 58,416	
12	14						\$ 57,000	\$ 57,529	\$ 58,059	\$ 58,588	\$ 59,117	\$ 59,647	\$ 60,176	
13+	15								\$ 59,289	\$ 59,818	\$ 60,348	\$ 60,877	\$ 61,406	

Source: Agreement between the Unified School District No. 259 Board of Education and the United Teachers of Wichita.

A fractional part of a year's service shall be paid on the basis that the number of contract days worked bears to the total number of contract days in the contract year.

The base contract salary shall be prorated for any teacher who teaches less than full time.

Statistical Section

SUPPLEMENTAL SALARY SCHEDULE 2013-2014

Supplemental	2013-14 Annual Amount	Supplemental	2013-14 Annual Amount	Supplemental	2013-14 Annual Amount
Level A		Level B		Level C	
Untitled Level A	\$ 1,343	Untitled Level B	\$ 2,111	Untitled Level - C	\$ 2,878
All City Music Leader	1,343	Acad Core Team Ldr 3-4 - Midd	2,111	Acad Core Tm Ldr 5 & above Mid	2,878
Area Music Leader - Elementary	1,343	Academy Leader	2,111	Academic Bowl Sponsor - High	2,878
Asst Band	1,343	Athletic Coordinator - Middle	2,111	AVID District Coordinator	2,878
Before School Supervisor	1,343	AVID Site Coordinator	2,111	Cheerleader Head Sponsor High	2,878
Class Head Sponsor - High	1,343	AYP LA/Math Contact	2,111	Detention Rm Monitor-Mid or Hi	2,878
Elementary Chair 4 or more	1,343	Bus Monitor	2,111	Forensic Coach - High	2,878
Exploratory Team Leader - Midd	1,343	Drama Production Middle	2,111	Intensive Support Team	2,878
Extended School Year Team	1,343	Hallway Supervision Lunch	2,111	Newspaper Head Sponsor - High	2,878
EC Event/Club Sponsor - A	1,343	Instrumental Music Leader Midd	2,111	Peer Consultant - Gov Bd Membr	2,878
Flag Team/Color Guard Supervisor	1,343	Intervention Tutor - B	2,111	Pom Pon Head Sponsor - High	2,878
Future Educators Club Sponsor	1,343	Intramural Activity - High	2,111	School to Work Academy Leader - High	2,878
Grade Level Lead	1,343	Leadership Sponsor - JROTC Middle	2,111	Social Worker Ldr 3 & above	2,878
Honor Society Sponsor	1,343	Yearbook Head Sponsor-Middle	2,111	Student Council Hd Spons High	2,878
Intervention Tutor - A	1,343	National Academic League Sponsor	2,111	Teacher In Charge	2,878
Lead Teachers - Secondary	1,343	Pep Club Sponsor - High	2,111	PEP Grant Physical Activity Secondary	2,878
Intramural Activity - Middle	1,343	Safety Patrol Sponsor - Elem	2,111		
School Improvement Team	1,343	School Improvement Leader	2,111		
Science Olympiad Coach	1,343	Student Council Sponsor - Midd	2,111		
Shared Inquiry Coach	1,343	Vocal Music Leader - Middle	2,111		
Spirit Club Sponsor - Middle	1,343	EC School Wide Publications/Website Editor - B	2,111		
EC School Wide Publications/Website Editor - A	1,343	EC Event/Club Sponsor - B	2,111		
Family Engagement Contact	1,343				
Circle of Friends Program	1,343				
Vertical Team Leader	1,343				
Career/Technical Support Org	1,343				
Level D		Level E		Level F	
Untitled Level - D	\$ 3,646	Untitled Level - E	\$ 4,413	Untitled Level - F	\$ 5,181
Activity Bus Monitor	3,646	Department Chair 3-6 - High	4,413	After School Program Supervisor	5,181
Debate Coach - High	3,646	Head Counselor - High	4,413	Elementary Truancy Specialist	5,181
Drama Activities Leader - High	3,646	Head Library Media Spec - High	4,413	Instrumental Music Leader High	5,181
Site Technology Specialist - D	3,646	In-Service Presenter	4,413	Junior Reserve Officer - Commissioned - High	5,181
Yearbook Sponsor - High	3,646	Lunchroom Monitor	4,413		
		Site Technology Specialist - E	4,413		
		Ticket Specialist - High	4,413		
		Vocal Music Leader - High	4,413		
Level G		Level H		Level I	
Untitled Level - G	\$ 5,949	Untitled Level - H	\$ 6,716	Untitled Level - I	\$ 7,484
Department Chair 7-8 - High	5,949			Department Chair 9-17 - High	7,484
Junior Reserve Officer - Non-Commissioned - High	5,949			District Curriculum Designer	7,484
Strategic Intervention Trainer	5,949				
Level J		Level J cont.		Level J cont.	
Untitled Level - J	\$ 8,251	Head Volleyball - High	\$ 3,513	Asst Softball - High	\$ 2,241
Dept Chair 18 & above - High	8,251	Head Wrestling - High	4,607	Asst Swimming - High	2,346
Peer Consultant - Teacher	8,251	Head Bowling - High	2,334	Asst Tennis - High	1,598
Head Baseball - High	3,735	MS Head Basketball	3,177	Asst Track - High	2,958
Head Basketball - High	6,379	MS Head Track	2,795	Asst Volleyball - High	2,108
Head Cross Country - High	2,981	MS Head Volleyball	2,284	Asst Wrestling - High	2,764
Head Football - High	6,379	MS Head Cross Country	1,603	Asst Bowling - High	1,400
Head Golf - High	2,574	Asst Baseball - High	2,241	MS Asst Basketball	1,906
Head Gymnastics - High	4,146	Asst Basketball - High	3,827	MS Asst Track	1,677
Head Soccer - High	3,735	Asst Cross Country - High	1,789	MS Asst Volleyball	1,371
Head Softball - High	3,735	Asst Football - High	3,827	MS Asst Cross Country	962
Head Swimming - High	3,910	Asst Golf - High	1,544	Athletic Coordinator	8,981
Head Tennis - High	2,663	Asst Gymnastics - High	2,488		
Head Track - High	4,929	Asst Soccer - High	2,241		

Source: Agreement between the Unified School District No. 259 Board of Education and the United Teachers of Wichita.

The term "supplemental salary" shall refer to payment for the assigned, accepted, and performed services under a supplemental contract as set forth on this page.

Statistical Section

DISTRICT FEEDER PROGRAM

The District schools are organized into units called high school feeder patterns. Students move from the elementary school to middle school and on to the high school located in their neighborhoods.

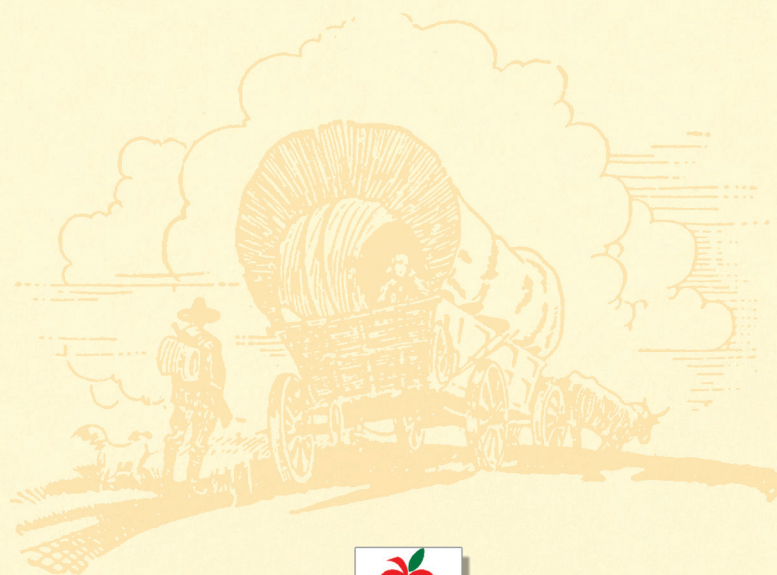
<u>East High School Feeder Pattern</u>		<u>Heights High School Feeder Pattern</u>		<u>North High School Feeder Pattern</u>	
Number of students in the feeder pattern: 8,025		Number of students in the feeder pattern: 6,375		Number of students in the feeder pattern: 8,010	
Number of buildings in the feeder pattern: 11		Number of buildings in the feeder pattern: 13		Number of buildings in the feeder pattern: 15	
Average school building age: 55 years		Average school building age: 29 years		Average school building age: 63 years	
	13-14 Enrollment		13-14 Enrollment		13-14 Enrollment
East High School	2,255	Heights High School	1,304	North High School	2,074
Jardine Middle School	416	Brooks Middle School	559	Hadley Middle School	684
Mead Middle School	604	Gordon Parks Middle School	94	Horace Mann Middle School	164
Robinson Middle School	806	Stucky Middle School	606	Marshall Middle School	543
				Pleasant Valley Middle School	616
Anderson Elementary School	641	Buckner Elementary School	410	Cloud Elementary School	664
College Hill Elementary School	478	Chisholm Trail Elementary School	459	Horace Mann Elementary School	440
Colvin Elementary School	847	Earhart Elementary School	433	Irving Elementary School	508
Griffith Elementary School	568	Gammon Elementary School	454	McLean Elementary School	271
Hyde Elementary School	313	Gordon Parks Elementary School	315	OK Elementary School	334
Linwood Elementary School	561	Jackson Elementary School	411	Ortiz Elementary School	381
Washington Elementary School	536	L'Ouverture Elementary School	301	Park Elementary School	342
		Mueller Elementary School	476	Pleasant Valley Elementary School	364
		Spaght Elementary School	553	Riverside Elementary School	283
				Woodland Elementary School	342

Northeast High School Feeder Pattern		**Northwest High School Feeder Pattern**		**South High School Feeder Pattern**	
Number of students in the feeder pattern: 2,842		Number of students in the feeder pattern: 4,484		Number of students in the feeder pattern: 5,351	
Number of buildings in the feeder pattern: 6		Number of buildings in the feeder pattern: 7		Number of buildings in the feeder pattern: 7	
Average school building age: 38 years		Average school building age: 56 years		Average school building age: 50 years	
	13-14 Enrollment		13-14 Enrollment		13-14 Enrollment
Northeast Magnet High School	644	Northwest High School	1,397	South High School	1,599
Allison Middle School	514	Wilbur Middle School	908	Truesdell Middle School	984
Black Elementary School	444	Benton Elementary School	357	Cessna Elementary School	487
Bostic Elementary School	284	Cleveland Elementary School	279	Enterprise Elementary School	456
Enders Elementary School	464	Kensler Elementary School	601	Kelly Elementary School	489
Isely Elementary School	492	McCollom Elementary School	468	White Elementary School	662
		Peterson Elementary School	474	Woodman Elementary School	674
Southeast High School Feeder Pattern		**West High School Feeder Pattern**		**Alternative and Special Schools**	
Number of students in the feeder pattern: 7,887		Number of students in the feeder pattern: 5,715		Number of students in the feeder pattern: 1,702	
Number of buildings in the feeder pattern: 14		Number of buildings in the feeder pattern: 10		Number of buildings in the feeder pattern: 2	
Average school building age: 45 years		Average school building age: 69 years		Average school building age: 76 years	
	13-14 Enrollment		13-14 Enrollment		13-14 Enrollment
Southeast High School	1,570	West High School	1,336	Metro-Boulevard Alternative High School	82
Christa McAuliffe Middle School	349	Hamilton Middle School	588	Metro-Meridian Alternative High School	147
Coleman Middle School	510	Mayberry Middle School	642		
Curtis Middle School	680			Learning Centers/Other Sites	1,473
Adams Elementary School	476	Dodge Elementary School	563		
Allen Elementary School	566	Franklin Elementary School	351		
Beech Elementary School	512	Gardiner Elementary School	593		
Caldwell Elementary School	530	Harry Street Elementary School	439		
Christa McAuliffe Elementary School	284	Lawrence Elementary School	439		
Clark Elementary School	355	Payne Elementary School	321		
Jefferson Elementary School	446	Stanley Elementary School	443		
Minneha Elementary School	642				
Price-Harris Elementary School	437				
Seltzer Elementary School	530				
Special Education Schools		**Early Childhood Education Schools**		**Other District Buildings**	
Number of students in the feeder pattern: 300		Number of students in the feeder pattern: 478		Number of buildings: 4	
Number of buildings in the feeder pattern: 5		Number of buildings in the feeder pattern: 1		Average building age: 48 years	
Average school building age: 47 years		Average school building age: 61 years			
	13-14 Enrollment		13-14 Enrollment		
Chisholm Life Skills Center	87	Little Early Childhood Center	478	Alvin E. Morris Administrative Center	
Greiffenstein Special Education Center	29			Joyce Focht Instructional Support Center	
Levy Special Education Center	78			Management Information Systems Center	
Sowers Special Education Center	74			School Service Center	
Wells Special Education Center	32				

13-14 Student Enrollment Total: 51,169

Note: Information provided by Wichita Public Schools
Student Records and Enrollment Services.





The Wichita Public Schools does not discriminate on the basis of race, color, ancestry, national origin, religion, sex, disability, age, veteran status, or any other legally protected classification. Persons having inquiries may contact the School District's Title IX Director/ADA/Section 504 Coordinator. For adults at 316-973-4420, or Section 504 Coordinator for students at 316-973-4702, 201 N. Water, Wichita, KS 67202.
© Copyright Wichita Public Schools, USD 259, August 2013. All rights reserved.