

Wichita Public Schools



2016 - 2017

Comprehensive Annual Financial Report

Unified School District 259
For the year ending
June 30, 2017
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, 2017

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.



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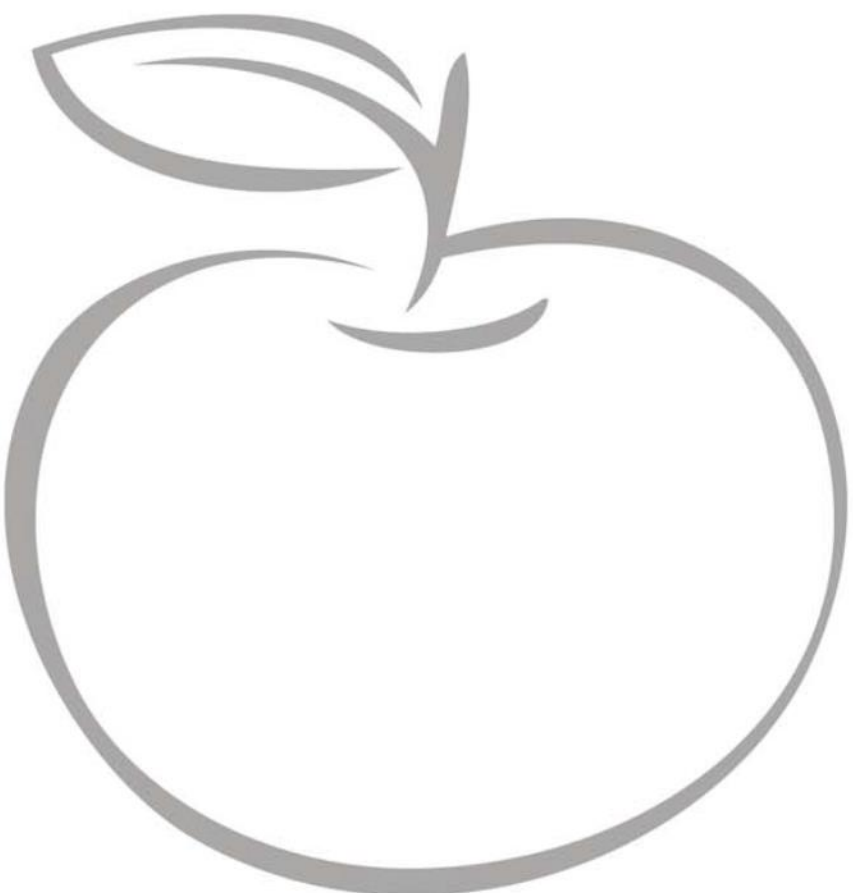
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Introductory Section





Alicia Thompson
Superintendent

December 5, 2017

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, 2017, 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 Subpart F of 2 CFR Part 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards." 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 Auditor’s Report and includes Management’s Discussion and Analysis (MD&A), 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.

The MD&A immediately follows the Independent Auditors’ Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

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 389,000, where approximately 97% of the students reside. The District covers 152 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 2017 fiscal year, these services include educational programs for grades K-12, special education, Federal Title programs, pre-kindergarten, career and technical 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 enjoys a richly diverse student population. No single ethnic group comprises greater than 1/3 of all students. The student community comes from 96 countries and 109 languages are spoken in the homes of District students. Over 73% of students come from homes of poverty, presenting additional challenges for the District to overcome.

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 District began implementation of a new certified staff evaluation process and procedure in FY'14. The new evaluation process adds consistency and efficiencies to the evaluation process for teachers and administrators and meets the evaluation criteria established by the Kansas State Board of Education. The District achieved full implementation with its teaching staff during FY'17. Full implementation for the remaining certified support staff and administration is expected by 2018-2019.
- The District continued aligning its curriculum to meet the State Department of Education's College and Career Ready Standards. As a critical component of this alignment, the District implemented the Carnegie Learning Math curriculum for core middle and high school instruction. Secondary math curriculum is now aligned with elementary math and the state math standards. Additionally, the District's evaluation model for licensed staff provided instructional tools to equip educators with strategies to leverage student learning. The District continued to challenge teachers to move from a retrieval level of instruction where students recognize and recall facts to a knowledge utilization level of instruction where students are problem solving, investigating, experimenting and decision making. This systemic instructional change will empower students with 21st century skills and knowledge necessary for success, as well as align with the Kansas Assessment Program and the Kansas Can statewide vision for education.
- Near the end of FY'17, the District named Dr. Alicia Thompson as new Superintendent to replace John Allison, who left the District June 30, 2017. Dr. Thompson has a long history with Wichita Public Schools as a former student, graduate, administrator and now superintendent. She brings a strong passion for the Wichita community, as well as the students and staff of Wichita Public Schools.
- The District has increased graduation rates by 16.5% over the last seven years.
- Following the 2008, \$370 million bond election, in FY'17 the District substantially completed all remaining bond projects in the community-developed facility master plan which included:
 - 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

Moving into the 2017-18 school year, all Wichita schools now have a storm shelter. FEMA/safe room construction caps a major milestone for families in Wichita. FY'17 marked the end of 16 years of bond issue facility improvements across the District.

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. In 2015, the Kansas legislature dramatically changed the way schools were funded in FY'16 and FY'17. Statutes enacted eliminated the previous school funding formula that included weightings for bilingual students, vocational students, students transported over 2½ miles, low income students, and enrollments of more than 1,622. The funding formula was replaced with a block grant formula that set the spending level for FY'16 and FY'17 while a new funding formula was being developed. The block grant eliminated the calculations for enrollment and set the funding for FY'16 and FY'17 at the same amount as the final legal maximum budget for FY'15 after reductions were made to equalization aid. There were some allowances for virtual education and new facilities, and special education funding calculations remained intact. However, the result was flat funding for the years the block grant was in effect.
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. Prior to FY'15, the revenue from the General fund levy was remitted directly to the school districts. Legislation now requires that the revenue be sent to the State and returned to districts as general state aid.

Introductory Section

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 block grant enacted for FY'16 and FY'17 eliminated the ability of districts to increase the Supplemental General fund budget and set the legal maximum budgets for all districts at the FY'15 level.
4. The school finance formula that was in place through the end of FY'15 required any year-end unencumbered cash balance in the General fund to become a deduction from the following year's state aid. The block grant legislation allowed unencumbered cash carry-over in the General fund in FY'16 without any reduction in the subsequent year's state aid. On March 2, 2017, the Kansas Supreme Court ruled the block grant financing system unconstitutional. The resulting legislative changes to school funding included reinstating the former requirement that any year-end unencumbered cash balance in the General fund become a deduction from the following year's state aid. This change was applicable to the year-end cash balance of FY'17 and future years.
5. On May 30, 2017, the Kansas Legislature passed Senate Bill 19 (SB19) to create a new school finance formula. The new formula structure increased the Base Aid for Student Excellence (BASE) to \$4,006 per full-time equivalent student and included targeted funding for high need student populations (poverty, non-English speaking, at-risk). The Kansas Supreme Court has not yet ruled if the new formula meets the adequacy and equity requirements under the Kansas Constitution. In the meantime, the Court did allow SB19 to become law effective July 1, 2017 so that districts across Kansas could operate and submit budgets under the new formula for FY'18.

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 re-appropriated 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.

Introductory Section

Financial Condition

In accordance with Governmental Accounting Standards Board (GASB) Statement 34, management is responsible for preparing an MD&A, providing an assessment of the District's finances for 2017. As previously mentioned, the MD&A follows the Independent Auditors' Report.

Operating Budget Policy

For FY'17 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'17 included state aid revenue for new facilities, a 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. FY'17 projects included completion of new auditorium at one middle school, window replacements at two schools, a track replacement at one high school, locker replacement at one high school, an auditorium replacement at one high school, roof replacements at four district buildings, gymnasium floors refinished at seventeen schools, exterior restoration at two schools, new wireless clock systems at three schools, intercom replacement at five schools, carpet replacement at three schools, and remodel of a former high school for use as the District's Administrative Center. Funding sources for these projects included a combination of bond proceeds, proceeds from the sale of District property and the Capital Outlay fund.

Economic Outlook and Conditions

State of Kansas Education Funding

- As previously mentioned, the block grant was declared unconstitutional in March 2017, pushing the Legislature to pass a new school finance formula in May 2017 that structurally returns to a base amount per pupil and weightings for high needs students beginning in FY'18. The Legislature overrode a gubernatorial veto in June 2017 to pass a tax package necessary to balance the State's budget and fund the new school finance formula. The Kansas Supreme Court allowed the new school finance formula to become law on July 1, 2017 as it made plans to hear oral arguments in late July to determine if the new formula meets the adequacy and equity requirements under the Kansas Constitution.
- Under the new formula, the District received its first significant increase in state funding in almost nine years, with over \$28 million increases in General fund, Supplemental General fund and weighted funds. In the District's FY'18 budget, this new funding is targeted toward covering fixed cost increases, adding new positions, funding new At Risk programs and increasing compensation.

District Outlook

The District's enrollment trend over the last nine years has reflected an average increase of 200 students a year. However, budget reduction measures are beginning to impact this trend. In FY'17, official enrollment decreased by 572 students, or one percent. Official enrollment in FY'18 increased by 80 students, but gains in virtual and alternative programs were offset by a significant decrease in elementary age students. The decline can be attributed to cost-cutting measures under the block grant, including denial of out-of-district students, the consolidation of alternative high school programs, and the combination of a longer school day and shorter school year, which many parents viewed as negatively impacting their students. The possibility of additional FY'19 funding following the Kansas Supreme Court ruling will allow the District to begin discussions around reversing some of the previous cost-cutting measures that negatively impacted students and families.

Demographics are also changing. In FY'17, for the first time in the District's history, the number of Hispanic students exceeded the number of non-Hispanic whites to become the largest ethnic group in the District, and this trend is expected to continue in future years. These changing demographics are one of the District's greatest strengths but also present some challenges. The District will continue its focus on improving academic rigor in classrooms to improve student achievement within all demographic groups.

Another of the District's priorities for FY'18 is to strengthen community and business partnerships. The Wichita community depends on a strong school system in promoting and recruiting new businesses and economic growth.

The oldest District facility was originally built in 1919, and the average age of all facilities is 54 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 made great strides to bring the facilities up to high standards. Even though the District has some old buildings, all of them have been updated. After nine years of budget cuts, the District was unable to fully support all bond initiatives. Additionally, the District looked to its Capital Outlay fund to support Information Technology needs as monies in other funds were cut. As the 2008 bond projects were completed in FY'17, the District will now turn its focus on deferred maintenance needs at all facilities.

For the Future

Schools for Fair Funding filed a lawsuit in 2010 against the State of Kansas for failing to provide suitable funding for education. On October 2, 2017, in its fifth *Gannon vs. the State of Kansas* decision, the Kansas Supreme Court ruled that the new school finance formula failed to meet the minimum standards under the Kansas Constitution to provide adequate education for K-12 students. Additionally, the Court ruled the new formula also contained violations of the Kansas Constitution's equity standards. Although the Court did not define a dollar amount necessary to meet the constitutional standards, the Court did give the Legislature until April 30, 2018 to submit changes to remedy the formula, with the intent that a new, constitutionally adequate and equitable formula be in place by June 30, 2018.

Introductory Section

During the 2017 Economic Outlook Conference, the Wichita State University Center for Economic Development and Business Research projected:

“Wichita total nonfarm employment is expected to increase 1,065 jobs, which implies the employment growth rate is anticipated to be .4%.”

“The production sectors are forecast to remain relatively flat. Natural resources and construction sector is expected to add approximately 300 jobs, while manufacturing is projected to decline by the same amount. The trade, transportation and utilities sector is expected to contract by .7%, losing a net 300 jobs. The service sectors are forecast again to be the fastest growing portion with a 1.3% growth.”

The new tax package that was passed by the Legislature in May 2017 repealed the 2012 elimination of taxes on pass-through entities and increased taxes on individuals. As a result, the Kansas Revenue Report through September 2017 reflected tax collections of \$142.83 million above last year and \$73.09 million above estimates. As pass-through entities are not required to make state estimated tax payments this year and as employers implement the new 2017 Kansas withholding tax tables at varying rates, the collections to date are a positive sign that the new tax plan will adequately fund the state budget for FY'18. The question remains, however, if the Legislature will come to a consensus as to how to address the Kansas Supreme Court ruling concerning the adequacy of funding for K-12 education.

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, 2016. 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,

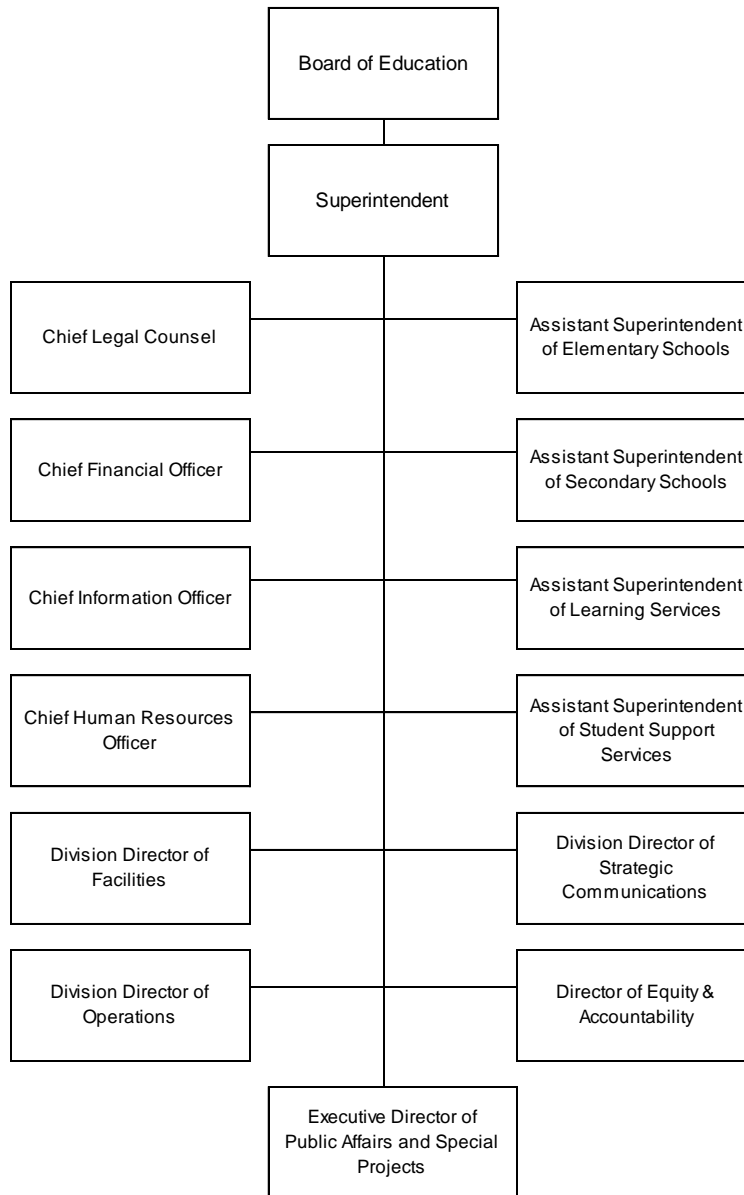
A handwritten signature in cursive script that reads "Alicia Thompson".

Dr. Alicia Thompson
Superintendent of Schools

A handwritten signature in cursive script that reads "Susan Willis".

Susan Willis
Chief Financial Officer

**WICHITA PUBLIC SCHOOLS
DISTRICT ADMINISTRATION ORGANIZATION CHART**



Introductory Section

WICHITA BOARD OF EDUCATION AS OF JUNE 30, 2017

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 St
Wichita, KS 67220



District 2

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



District 3

Barbara Fuller
6900 E. Zimmerly St
Wichita, KS 67207



District 4

Jeff Davis
1941 W. Greenfield St
Wichita, KS 67217



District 5

Mike Rodee
6514 W. Briarwood Cir
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

President Sheril Logan
Vice President..... Barbara Fuller
Board Counsel Tom Powell
Treasurer Susan Willis
Clerk of the Board..... Mike Willome

SUPERINTENDENT OF SCHOOLS

Dr. Alicia Thompson

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.

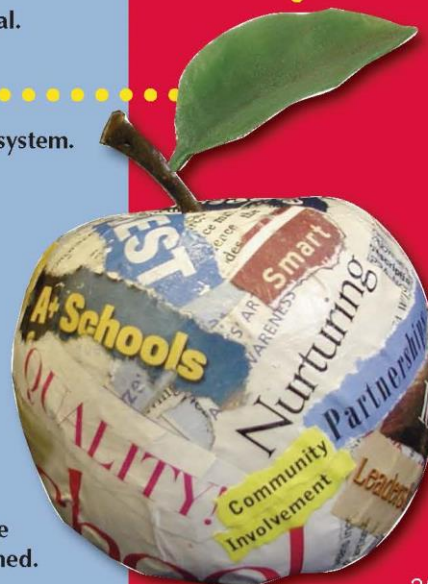
Objectives

- 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

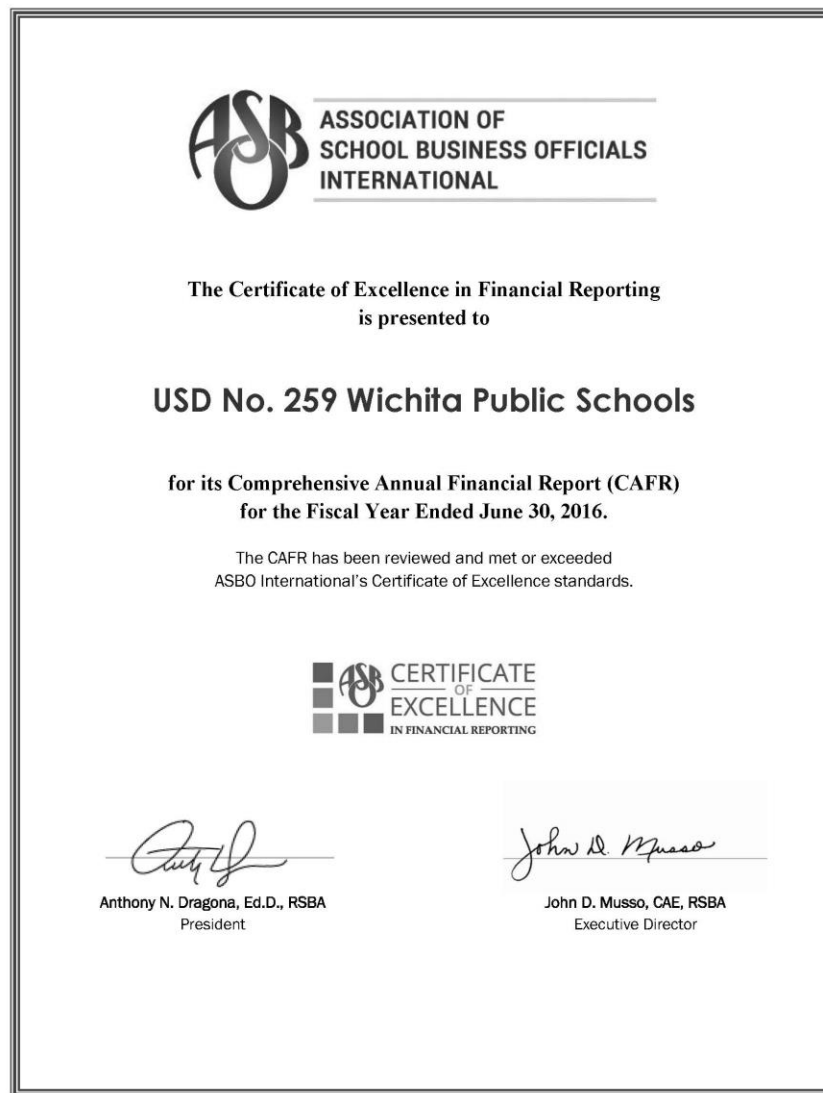
June 30, 2016

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, 2016. This was the twenty-fifth 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, 2016. This was the twenty-fifth 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, 2017, 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 audits 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, 2017, 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.

Emphasis of Matter

As discussed in Note IV. G. to the financial statements, on July 1, 2016, the District adopted Government Accounting Standards Board Statement No. 74: *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* and Government Accounting Standards Board Statement No. 75: *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

As discussed in Note IV. E. to the financial statements, on July 1, 2016, the District adopted Government Accounting Standards Board Statement No. 77: *Tax Abatement Disclosures*. Our opinion is not modified with respect to this matter.

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 5, 2017 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 solely 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 effectiveness of the District's 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 5, 2017
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, 2017. 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

Under the second year of the block grant, FY'17 state revenues again remained essentially flat. The notable exception was that the Kansas Legislature reinstated equalization aid in the Capital Outlay and Supplemental General (LOB) funds as a result of the Kansas Supreme Court's second ruling in favor of schools in *Gannon v. State*. Because an increase in state aid in the LOB fund results in a reduction to local property taxes, the LOB mill levy decreased from 18.498 to 16.844 mills.

The District realized savings in FY'17 from the second consecutive year of lower than expected fuel, student transportation, and utility costs, as well as payroll savings from unfilled positions. The District was therefore again able to transfer a portion of the unspent cash to the Textbook and Capital Outlay funds to assist in supporting upcoming curriculum adoptions and capital improvement projects. Additionally, the District transferred funds to Professional Development, Bilingual, and Career and Technical Education funds to support FY'18 staff development and academic improvement initiatives.

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 increased by \$90,567,939. The improvement in net position is the net effect of several changes, as explained in the following bullets:

- Current and other assets increased \$24.5 million due to increased ending cash balances in several funds. A significant state budget deficit, the absence of a funding formula for FY'18 until very late in FY'17, and threats of mid-year cuts led the District to delay some capital spending and leave open positions unfilled. Additionally, as previously mentioned, lower than expected fuel, utility, and student transportation costs provided unspent cash that was transferred to and held in various funds at year-end in order to support one-time expenses in FY'18. The low utility costs were a result of a moderate winter, and savings in student transportation and fuel were due to the inability of the District's bus contractor to hire enough drivers to support the number of buses needed to transport students.
- The increases in deferred outflows – pension and deferred inflows – pension are due to the net effect of changes in the District's proportionate share of KPERS, changes related to actuarial experience and assumptions, and net differences between projected and actual earnings on pension plan investments.
- The \$2.8 million increase in current and other liabilities is due to increases in accounts payable and accrued payroll. The accounts payable balance increased as a result of some delay in the final billings from our student transportation provider. The accrued payroll balance was unusually low in FY'16 due to a very large increase in the number of teachers that requested a lump sum salary payment in June for the months of July and August, a consequence of a threat by the Kansas Supreme Court to close schools in July 2017 if the legislature failed to restore funding equalization for FY'17. With

equalization reinstated in FY'17, some of those teachers returned to a monthly payment schedule, resulting in an increase in accrued payroll.

- A decrease in the District's proportionate share of the KPERS collective net pension liability in FY'17 accounts for the majority of the decrease in long-term liabilities due in more than one year.
- The \$6.7 million increase in net position restricted for facilities and capital projects is due to an increase in cash in the Capital Outlay fund. As noted in a bullet above, the District delayed some capital spending due to the threat of mid-year cuts in state funding.
- The \$6.4 million increase in net position restricted for self-insurance claims is in large part a result of an increase in cash in the self-insured Health Care fund. Changes were made to the employee health plan in January 2017 for the purpose of increasing the balance in the fund due to recent high claims history drawing it down. Changes included increased employee and employer premiums and higher deductibles.
- The \$4.7 million increase in net position restricted for debt service is related to an increase in cash in the Bond and Interest fund which is intended to be used in the future to pay some of the District's outstanding general obligation debt early.
- The \$49 million increase in unrestricted net position is a result of the net difference between a decrease in the net pension liability, explained above, and an increase in the net OPEB liability that resulted from the District's implementation of GASB Statements Nos. 74 and 75 in FY'17. For additional information, please refer to Note III.G. of the Notes to the Financial Statements.

Table 1
Net Position
Governmental Activities
As of June 30

	2017	2016	Change Increase (Decrease)
Assets			
Current and other assets	\$215,240,283	\$190,694,714	\$24,545,569
Capital assets	808,069,967	810,841,157	(2,771,190)
Total Assets	<u>\$1,023,310,250</u>	<u>\$1,001,535,871</u>	<u>\$21,774,379</u>
Deferred Outflows of Resources			
Deferred charge on refunding	\$1,983,125	\$2,525,572	(\$542,447)
Deferred outflows – OPEB	26,983	-	26,983
Deferred outflows – pension	75,887,559	37,245,317	38,642,242
Total Deferred Outflows of Resources	<u>\$77,897,667</u>	<u>\$39,770,889</u>	<u>\$38,126,778</u>
Liabilities			
Current and other liabilities	\$24,637,330	\$21,856,029	\$2,781,301
Long-term liabilities:			
Due within one year	49,471,923	50,369,859	(897,936)
Due in more than one year	913,814,428	974,741,515	(60,927,087)
Total Liabilities	<u>\$987,923,681</u>	<u>\$1,046,967,403</u>	<u>(\$59,043,722)</u>

Financial Section

Deferred Inflows of Resources

Deferred inflows – pension	\$57,456,044	\$29,079,104	\$28,376,940
Total Deferred Inflows of Resources	<u>\$57,456,044</u>	<u>\$29,079,104</u>	<u>\$28,376,940</u>

Net Position

Net investment in capital assets	\$401,755,601	\$379,706,034	\$22,049,567
Restricted:			
Instruction and support services	3,276,706	3,666,331	(389,625)
Facilities and capital projects	28,749,877	22,077,676	6,672,201
Debt service	34,005,690	29,282,262	4,723,428
Self-insurance claims	26,306,015	19,940,071	6,365,944
Special education	8,798,754	8,104,950	693,804
Nutrition services	14,884,301	13,405,797	1,478,504
Federal and state grant programs	836,518	882,256	(45,738)
Unrestricted	<u>(462,785,270)</u>	<u>(511,805,124)</u>	<u>49,019,854</u>
Total Net Position	<u>\$55,828,192</u>	<u>(\$34,739,747)</u>	<u>\$90,567,939</u>

Table 2 below shows condensed revenues, expenses, and change in net position for fiscal years 2017 and 2016.

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

	2017	2016	Change Increase (Decrease)
Revenues:			
Program Revenues:			
Charges for services	\$8,424,528	\$9,139,660	(\$715,132)
Operating grants and contributions	178,029,107	172,972,436	5,056,671
Capital grants and contributions	37,121	87,111	(49,990)
General Revenues:			
Property taxes	\$101,669,993	\$105,863,014	(\$4,193,021)
State and federal aid not restricted to specific purposes	332,270,972	325,453,330	6,817,642
State aid received for debt service (principal)	9,642,600	8,102,250	1,540,350
State aid received for non-employer pension contributions	66,165,270	-	66,165,270
Other	<u>4,455,043</u>	<u>1,717,727</u>	<u>2,737,316</u>
Total Revenues	<u>\$700,694,634</u>	<u>\$623,335,528</u>	<u>\$77,359,106</u>

Program Expenses:

Instruction	\$342,630,958	\$346,455,686	(\$3,824,728)
Student and instructional support	77,043,654	78,375,866	(1,332,212)
Administration	41,034,130	42,201,508	(1,167,378)
Operations and maintenance	71,650,829	74,830,191	(3,179,362)
Student transportation service	23,224,462	26,386,173	(3,161,711)
Nutrition services	23,173,184	24,014,679	(841,495)
Interest on long-term debt	17,705,215	18,364,528	(659,313)
Total Expenses	<u>\$596,462,432</u>	<u>\$610,628,631</u>	<u>(\$14,166,199)</u>
Increase/Decrease in Net Position	\$104,232,202	\$12,706,897	\$91,525,305
Net Position-Beginning	(34,739,747)	(47,446,644)	12,706,897
Prior Period Adjustment	<u>(13,664,263)</u>	<u>-</u>	<u>(13,664,263)</u>
Net Position-Ending	<u>\$55,828,192</u>	<u>(\$34,739,747)</u>	<u>\$90,567,939</u>

- The previously noted reinstatement of fully-funded equalization state aid in FY'17 resulted in the increases in operating grants and contributions and in state and federal aid not restricted to specific purposes. The increase in each of these amounts is related to the additional restricted Capital Outlay aid and the additional unrestricted LOB aid, respectively.
- The decrease in property taxes is due the previously mentioned lower tax levy in the Supplemental General fund for the FY'17 budget.
- The \$66.2 million state aid received for non-employer pension contributions in FY'17 is the District's proportionate share of a one-time bond issue by the State of Kansas in which the proceeds were deposited to the Kansas Public Employees Retirement System to reduce the unfunded actuarial pension liability. For additional information, please refer to Note III.F. of the Notes to the Financial Statements.
- The decreases in program expenses in the areas of instruction, student and instructional support, student transportation service and administration are a result of unfilled positions and lower than expected fuel prices, utility costs, and student transportation expenses that were previously explained.
- The prior period adjustment reflected for FY'17 is a result of the District's implementation of GASB 74 and 75 related to postemployment benefits other than pensions that was previously mentioned.

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, 2017, the District governmental funds reported a combined fund balance of \$149.7 million, an increase of \$15 million from FY'16. This increase is largely due to an increase in cash in the Bond and Interest and Capital Outlay funds. Cash balances were higher in the Bond and Interest fund due to increased state aid and the mill levy set a little higher than necessary to build cash for the purpose of potentially paying off some bonds early, as previously mentioned.

As stated earlier, cash balances in the Capital Outlay fund were higher due to increased equalization state aid and reduced spending during the fiscal year as the District faced threats of mid-year cuts to state aid.

Table 3
Governmental Fund Balances
As of June 30 Year End

Governmental Funds	2017	2016	Change In Fund Balance
General	\$40,642,777	\$39,107,191	\$1,535,586
Special Education	11,195,190	10,958,709	236,481
Nutrition Services	16,965,642	15,293,178	1,672,464
Capital Outlay	28,657,227	21,871,225	6,786,002
Bond and Interest	47,935,209	41,504,964	6,430,245
Nonmajor Governmental	4,322,889	5,537,297	(1,214,408)
Total Governmental Fund Balances	<u>\$149,718,934</u>	<u>\$134,272,564</u>	<u>\$15,446,370</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 District's total General fund budget was not amended in FY'17. However, the final legal maximum budget was reduced from \$372,707,457 to \$358,353,158 by the Kansas State Department of Education, primarily a result of the State's decision to defer the majority of the FY'17 fourth quarter KPERS remittance due to revenue shortages at the state level.

The District's ending unobligated cash balance in the General fund was \$0, the same as the final budgeted fund balance amount.

Special Education Fund

The Special Education fund balance remained stable in FY'17, with a slight increase of \$236,481. The \$11.2 million FY'17 ending fund balance will enable the District to fund the FY'18 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.

Nutrition Services Fund

The Nutrition Services fund increased \$1.7 million from FY'16. Since this fund is a special revenue fund, all fund balances are restricted for expenditures related to child nutrition.

Capital Outlay Fund

The District has the authority to levy up to 8 mills in the Capital Outlay fund. The District levied 8 mills during the FY'17 budget process to take full advantage of the state aid.

The Capital Outlay fund balance increased \$6.8 million in FY'17. As previously discussed, the District faced funding cut threats for most of the fiscal year, and therefore continued a conservative approach to making Capital Outlay expenditures, only moving forward on critical repair projects and deferring routine maintenance. This approach allowed the District to accumulate a balance sufficient to cover the expenditures related to a possible shutdown and also to bring the fund balance to a level that allows more projects to begin in the fall before spring state aid and tax revenues are received.

The Capital Outlay fund balance is restricted to furnishing, equipping, improving, repairing, acquiring, and constructing buildings and sites, as well as to purchase software and pay for maintenance.

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 \$41.5 million to \$47.9 million due to increased state aid and the mill levy remaining slightly higher than necessary to fund the FY'17 debt service expenditures, as formerly noted. The District reduced the property tax levy in this fund from 9.4 mills to 8.8 mills, as the cash balance was increasing at a higher rate than desired. The entire June 30, 2017, 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 2017 and 2016, the District had \$808,069,967 and \$810,841,157, respectively, invested in capital assets (net of depreciation). The FY'17 increase in buildings and improvements and decrease in construction in progress are primarily attributable to completion and capitalization of assets related to construction projects authorized by the 2008 bond election that were initiated prior to FY'17.

Table 4
Capital Assets - Net of Depreciation
Governmental Activities

	2017	2016	Change Increase (Decrease)
Land	\$20,880,026	\$21,098,403	(\$218,377)
Land Improvements	28,911,503	27,373,236	1,538,267
Intangibles	3,811,600	4,047,434	(235,834)
Construction in progress	8,064,841	73,301,334	(65,236,493)
Buildings and improvements	727,703,125	668,234,760	59,468,365
Machinery and equipment	18,698,872	16,785,990	1,912,882
Total capital assets - net of depreciation	<u>\$808,069,967</u>	<u>\$810,841,157</u>	<u>(\$2,771,190)</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, 2017, the District had \$409,875,000 in bonds and notes outstanding. Table 5 summarizes debt outstanding.

Table 5
Governmental Activities
Outstanding Debt, at Year End

	2017	2016	Change Increase (Decrease)
General Obligation Bonds	\$409,875,000	\$431,790,000	(\$21,915,000)

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

The \$21.9 million decrease in general obligation bonds payable is a result of the normal annual bond payments during FY'17.

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 decreased slightly from 2.46% in FY'16 to 2.24% in FY'17, and the net bonded debt per capita decreased from \$1,062 to \$986. Additionally, net bonded debt per pupil decreased from \$8,101 in FY'16 to \$7,606 in FY'17.

There were no changes in the District's credit ratings in FY'17. 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:

- On July 1, 2017, the State of Kansas implemented a new funding formula that structurally returns to a base amount per pupil and weightings for high needs students, similar to the funding formula in place prior to the FY'16 and FY'17 block grant funding. The new formula provides the District with a \$28 million increase in funding for FY'18. On October 2, 2017, the Kansas Supreme Court ruled that the new formula was unconstitutional in terms of both adequacy and equity. The Court has given the Legislature until April 30, 2018, to remedy the formula to meet the constitutional requirements.
- In July, the District was notified of the Title IA allocation for FY'18 in the amount of \$22 million and the Title IIA allocation of \$2.6 million for FY'18.
- In September, the District received notice of the Special Education IDEA VI-B allocation for FY'18 in the amount of \$10.9 million for the 3-5 Early Childhood and 3-21 Pass Through programs.
- On November 16, 2017, the Board of Education approved FY'18 contract agreements with the teachers' union, United Teachers of Wichita (UTW), and the service employees' union, Service Employees International Union (SEIU). Additionally, the Board approved salary increases for its administrative and technical employee groups. The cost to the District for all groups in FY'18 is approximately \$24 million.

Contacting the School District's Financial Management

Budgeting Web Page: <http://www.usd259.org/site/Default.aspx?PageID=1421>

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

Write the Budgeting Office:

Unified School District #259
Attention: Dee Grunder
903 S. Edgemoor, Suite 210
Wichita, KS 67218

Contact Budgeting by Phone:

Susan Willis, 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, 2017**

	Governmental Activities
Assets	
Cash, cash equivalents and investments	\$ 166,398,642
Restricted cash, cash equivalents and investments	10,269,723
Receivables:	
State aid	28,058,814
Interest	129,653
Intergovernmental	8,083,026
Inventory	2,300,425
Capital assets:	
Land and construction in progress	28,944,867
Other capital assets, net of depreciation	779,125,100
Total assets	<u>1,023,310,250</u>
 Deferred outflows of resources	
Deferred charge on refunding	1,983,125
Deferred outflows - OPEB	26,983
Deferred outflows - pension	75,887,559
	<u>77,897,667</u>
 Liabilities	
Accounts payable	11,840,228
Accrued payroll	7,535,919
Interest payable	5,017,779
Advance - grants	243,404
Long-term liabilities, including claims payable	
Due within one year	49,471,923
Due in more than one year	913,814,428
Total liabilities	<u>987,923,681</u>
 Deferred inflows of resources	
Deferred inflows - pension	<u>57,456,044</u>
 Net Position	
Net investment in capital assets	401,755,601
Restricted for:	
Instruction and support services	3,276,706
Facilities and capital projects	28,749,877
Debt service	34,005,690
Self-insurance claims	26,306,015
Special education	8,798,754
Nutrition service	14,884,301
Federal and state grant programs	836,518
Unrestricted	<u>(462,785,270)</u>
Total net position	<u>\$ 55,828,192</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, 2017

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Total Governmental Activities
Governmental activities:				
Instruction	\$ 342,630,958	\$ 4,885,971	\$ 76,936,531	\$ (260,808,456)
Student and instructional support	77,043,654	272,037	34,497,581	(42,236,915)
Administration	41,034,130	-	4,020,432	(37,013,698)
Operations and maintenance	71,650,829	-	9,659,212	(61,991,617)
Student transportation service	23,224,462	-	19,167,226	(4,057,236)
Nutrition services	23,173,184	3,266,520	21,379,713	1,473,049
Interest on long-term debt	17,705,215	-	12,368,412	(5,336,803)
Total primary government	\$ 596,462,432	\$ 8,424,528	\$ 178,029,107	(409,971,676)
General revenues:				
Property taxes levied for:				
General purposes				51,029,955
Debt service				26,806,608
Capital outlay				23,833,430
State and federal aid not restricted to specific purposes				332,270,972
State aid received for debt service (principal)				9,642,600
State aid for nonemployer pension contributions				66,165,270
Earnings on investments				927,465
Miscellaneous				3,527,578
Total general revenues				514,203,878
Change in net position				104,232,202
Net position-beginning				(34,739,747)
Prior period adjustment				(13,664,263)
Net position-ending				\$ 55,828,192

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, 2017

	General	Special Education	Nutrition Services	Capital Outlay	Bond and Interest	Nonmajor Governmental Funds	Total Governmental Funds
Assets:							
Cash, cash equivalents and investments	\$ 21,453,001	\$ 14,351,375	\$ 16,018,932	\$ 32,710,042	\$ 37,919,416	\$ 4,280,847	\$ 126,733,613
Restricted cash, cash equivalents and investments	-	-	-	-	10,015,793	253,930	10,269,723
Intergovernmental receivables	10,045	5,390,257	-	-	1,104,053	1,578,671	8,083,026
State aid receivable	28,058,814	-	-	-	-	-	28,058,814
Interest receivable	-	-	-	129,653	-	-	129,653
Inventory	1,096,668	-	1,203,757	-	-	-	2,300,425
Due from other funds	44,440	-	-	-	-	-	44,440
Total assets	\$ 50,662,968	\$ 19,741,632	\$ 17,222,689	\$ 32,839,695	\$ 49,039,262	\$ 6,113,448	\$ 175,619,694
Liabilities:							
Accounts payable	\$ 4,810,091	\$ 2,098,603	\$ 103,052	\$ 4,061,638	-	\$ 513,884	\$ 11,587,268
Accrued payroll	4,984,695	1,057,582	153,995	120,830	-	1,214,236	7,531,338
Advance - grants	225,405	-	-	-	-	17,999	243,404
Due to other funds	-	-	-	-	-	44,440	44,440
Total liabilities	10,020,191	3,156,185	257,047	4,182,468	-	1,790,559	19,406,450
Deferred Inflows of Resources:							
Unavailable revenue - receivables	-	5,390,257	-	-	1,104,053	-	6,494,310
Total deferred inflows of resources	-	5,390,257	-	-	1,104,053	-	6,494,310
Fund Balances:							
Nonspendable	1,096,668	-	1,203,757	-	-	-	2,300,425
Restricted	836,518	11,195,190	15,761,885	28,657,227	47,935,209	4,322,889	108,708,918
Assigned	18,870,149	-	-	-	-	-	18,870,149
Unassigned	19,839,442	-	-	-	-	-	19,839,442
Total fund balances	40,642,777	11,195,190	16,965,642	28,657,227	47,935,209	4,322,889	149,718,934
Total liabilities, deferred inflows of resources and fund balances	\$ 50,662,968	\$ 19,741,632	\$ 17,222,689	\$ 32,839,695	\$ 49,039,262	\$ 6,113,448	\$ 175,619,694

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, 2017**

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

Total fund balance -- governmental funds		\$ 149,718,934
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost	\$ 1,166,539,795	
Accumulated Depreciation	<u>(358,469,828)</u>	808,069,967
Other deferred outflows of resources are not due and payable in the current period and therefore are not reported in the funds:		
Deferred Refunding on Bonds Payable	1,983,125	
Deferred outflows - pension	75,887,559	
Deferred outflows - OPEB	<u>26,983</u>	77,897,667
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	(409,875,000)	
Premium on Bonds Payable	(8,692,896)	
Discount on Bonds Payable	10,047	
Accrued Interest Payable on the Bonds	(5,017,779)	
Special Assessments	(575,254)	
Early Retirement Program	(35,235,005)	
Compensated Absences	(10,156,000)	
Net OPEB Liability	(40,714,401)	
Net Pension Liability	(444,700,814)	
Environmental Liability	<u>(245,555)</u>	(955,202,657)
Other deferred inflows of resources do not increase net position until a future period and therefore are not reported in the funds.		
Deferred inflows - pension		(57,456,044)
Medicaid accounts 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.		
		5,390,257
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.		
		1,104,053
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>26,306,015</u>
Total net position -- governmental activities		\$ 55,828,192

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, 2017

	General	Special Education	Nutrition Services	Capital Outlay	Bond and Interest	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 50,949,409	\$ -	\$ -	\$ 23,833,430	\$ 26,806,608	\$ 80,546	\$ 101,669,993
Intergovernmental - State	340,660,906	43,091,851	241,267	9,325,716	17,592,428	29,111,038	440,023,206
Intergovernmental - Federal	-	20,884,693	20,021,253	37,121	-	33,322,227	74,265,294
Interest expense subsidy - Federal	-	-	-	-	4,418,584	-	4,418,584
Charges for services	1,184,175	-	3,266,520	-	-	3,973,833	8,424,528
Earnings on investments	374,416	-	88,122	278,963	13,998	7,496	762,995
Other	1,268,033	67,979	4,150	-	-	685,954	2,026,116
Contributions	624,528	-	-	-	-	-	624,528
Total revenues	395,061,467	64,044,523	23,621,312	33,475,230	48,831,618	67,181,094	632,215,244
Expenditures:							
Current:							
Instruction	208,214,047	64,568,738	-	3,128,930	-	39,902,554	315,814,269
Student and instructional support	31,380,661	25,775,192	-	994,877	-	18,892,208	77,042,938
Administration	34,864,259	2,672,800	-	-	-	3,370,126	40,907,185
Operations and maintenance	59,670,027	1,331,605	-	6,886,600	-	2,862,856	70,751,088
Student transportation service	12,837,468	10,284,095	-	-	-	199,691	23,321,254
Nutrition services	7,599	-	22,188,838	-	-	1,117,193	23,313,630
Sub-total current expenditures	346,974,061	104,632,430	22,188,838	11,010,407	-	66,344,628	551,150,364
Facility acquisition and construction service	581,013	-	-	21,478,942	-	2,050,874	24,110,829
Debt Service:							
Principal retirement	-	-	-	-	21,915,000	-	21,915,000
Interest	-	-	-	-	20,486,373	-	20,486,373
Total expenditures	347,555,074	104,632,430	22,188,838	32,489,349	42,401,373	68,395,502	617,662,566
Excess (deficiency) of revenues over (under) expenditures	47,506,393	(40,587,907)	1,432,474	985,881	6,430,245	(1,214,408)	14,552,678
Other financing sources (uses):							
Sale of property	-	-	-	1,526,463	-	-	1,526,463
Transfers in	-	40,824,388	-	4,273,658	-	-	45,098,046
Transfers out	(45,998,046)	-	-	-	-	-	(45,998,046)
Total other financing sources (uses)	(45,998,046)	40,824,388	-	5,800,121	-	-	626,463
Net change in fund balances	1,508,347	236,481	1,432,474	6,786,002	6,430,245	(1,214,408)	15,179,141
Fund balances at beginning of year	39,107,191	10,958,709	15,293,178	21,871,225	41,504,964	5,537,297	134,272,564
Change in reserve for inventory	27,239	-	239,990	-	-	-	267,229
Fund balances at end of year	\$ 40,642,777	\$ 11,195,190	\$ 16,965,642	\$ 28,657,227	\$ 47,935,209	\$ 4,322,889	\$ 149,718,934

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, 2017

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

Net change in fund balances -- total governmental funds	\$ 15,179,141
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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	\$ (30,035,608)	
Capital assets capitalized	<u>28,155,096</u>	(1,880,512)

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.

(1,084,667)

Revenues reported in the funds that do not provide current financial resources are reported as revenues in the statement of activities.

621,999

The amortization of bond premiums and discounts decreases the long term liabilities in the statement of net position but does not provide current financial resources to the governmental funds.

3,016,425

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		21,915,000
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In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.

308,367

Repayments of special assessments decrease liabilities in the statement of net position but do not provide current financial resources to the governmental funds

416,684

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 were less than benefits paid	408,000	
Early retirement benefits earned were less than benefits paid	481,352	
Increase in net OPEB liability exceeded costs incurred	(6,361,376)	
Reductions to net pension liabilities exceeded costs incurred	54,557,760	
Environmental liabilities incurred were less than amounts paid	<u>271,015</u>	49,356,751

The change in deferred outflows of resources and inflows of resources affects change in net position, but does not provide or use current financial resources to governmental funds.

Deferred outflows - pensions	38,642,245	
Deferred outflows - opeb	26,983	
Deferred inflows - pensions	(28,376,940)	
Deferred refunding	<u>(542,447)</u>	9,749,841

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.

6,365,944

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.

267,229

Change in net position of governmental activities	\$ <u>104,232,202</u>
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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, 2017**

	Internal Service Funds
Assets:	
Current assets:	
Cash, cash equivalents and investments	<u>\$ 39,665,029</u>
Total current assets	<u>39,665,029</u>
Liabilities:	
Current liabilities:	
Accrued liabilities	257,541
Current portion - claims payable	<u>8,682,479</u>
Total current liabilities	<u>8,940,020</u>
Noncurrent liabilities	
Long-term claims payable	<u>4,418,994</u>
Total liabilities	<u>13,359,014</u>
Net Position:	
Total net position restricted for self-insurance claims	<u><u>\$ 26,306,015</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 Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2017**

	Internal Service Funds
Operating revenues:	
Charges for services	\$ 65,654,512
Other insurance reimbursements	3,857
Total operating revenues	<u>65,658,369</u>
Operating expenses:	
Contractual services	<u>60,356,895</u>
Total operating expenses	<u>60,356,895</u>
Operating income (loss)	<u>5,301,474</u>
Nonoperating revenues:	
Interest	<u>164,470</u>
Total nonoperating revenues	<u>164,470</u>
Income (loss) before transfers	5,465,944
Transfers in	<u>900,000</u>
Change in net position	6,365,944
Total net position-beginning of year	<u>19,940,071</u>
Total net position-end of year	<u><u>\$ 26,306,015</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, 2017**

	Internal Service Funds
Cash flows from operating activities:	
Cash received from services	\$ 65,654,512
Cash received from insurance companies	3,857
Cash payments for claims	(61,413,192)
Net cash flow from operating activities	<u>4,245,177</u>
Cash flows from non-capital financing activities:	
Transfers from other funds	900,000
Net cash flow from non-capital financing activities	<u>900,000</u>
Cash flows from investing activities:	
Interest on investments	164,470
Net cash flow from investing activities	<u>164,470</u>
Net change in cash and cash equivalents	5,309,647
Cash and cash equivalents-beginning of the year	<u>34,355,382</u>
Cash and cash equivalents-end of the year	<u><u>\$ 39,665,029</u></u>
 Reconciliation of operating income to net cash flow from operating activities:	
Operating income (loss)	\$ 5,301,474
Adjustments to reconcile operating income (loss) to net cash flow from operating activities:	
Change in accrued liabilities	(77,882)
Change in claims payable	(978,415)
Net cash flow from operating activities	<u><u>\$ 4,245,177</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 Fiduciary Net Position
Fiduciary Funds
June 30, 2017**

	Employee Benefit Trust Funds	Agency Funds
Assets:		
Cash and cash equivalents	\$ 1,242,955	\$ 4,713,633
Certificates of deposit	14,700,000	-
Investments	992,472	-
Interest receivable	52,313	-
Total assets	<u>16,987,740</u>	<u>4,713,633</u>
Liabilities:		
Due to others	<u>-</u>	<u>4,713,633</u>
Total liabilities	<u>-</u>	<u>4,713,633</u>
Net Position:		
Held in trust for other employee benefits	<u>16,987,740</u>	<u>-</u>
Total net position	<u><u>\$ 16,987,740</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, 2017**

	Employee Benefit Trust Funds
Additions:	
Employer contributions	\$ 15,623,623
Interest income	11,020
Total additions	<u>15,634,643</u>
Deductions:	
Benefits	20,145,463
Administration	183,042
Total deductions	<u>20,328,505</u>
Change in net position	(4,693,862)
Net position - beginning of year	<u>21,681,602</u>
Net position - end of year	<u><u>\$ 16,987,740</u></u>

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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. However, interfund services provided and used are not eliminated in the process of consolidation.

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 Instructional 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 Service – 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 plus deferred outflows of resources, and liabilities plus deferred inflows of resources 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.

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.

Capital Outlay – used to account for the acquisition and construction of major capital facilities other than those financed from general obligation bond proceeds and maintaining and equipping of District property and equipment necessary for District purposes.

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.

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.

Investments are measured at fair value. Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction. There is a fair value hierarchy which requires an entity to maximize the use of observable inputs when measuring fair value.

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 \$28,058,814 for the fiscal year ended June 2017 until July 2017. The District was instructed by the State to record the final payment as though it had been received on June 30, 2017. 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 acquisition value 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 \$30 per unused accrued temporary leave day 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. Pensions

The net pension liability is calculated as the difference between the actuarially calculated value of the projected benefit payments attributed to past periods of employee service and the plan's net fiduciary position. The total pension expense is comprised of the service cost or actuarial present value of projected benefit payments attributed to the valuation year, interest on the total pension liability, plan administrative expense, current year benefit changes, and other changes in plan fiduciary net position less employee contributions and projected earnings on plan investments. Additionally, the total pension expense includes the annual recognition of outflows and inflows of resources due to pension assets and liability.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Kansas Public Employees Retirement System (KPERS) and additions to/deductions from KPERS' fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

8. Postemployment Benefits Other Than Pensions (OPEB)

For the year ended June 30, 2017, the District implemented provisions of GASB 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. For purposes of measuring the net OPEB liability, deferred outflows and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's Retiree Benefit Trust Plan (RBTP) and additions to/deductions from the RBTP have been determined on the same basis as they are reported by the RBTP. For this purpose, the RBTP recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value with the exception of money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

9. 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 has three items that qualify for reporting in this category, deferred charge on refunding, collective deferred outflows for pensions and deferred outflows for OPEB. 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. See Note IV. F. and G. for more information on the deferred outflows for pensions and OPEB, respectively.

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 two items that qualify for reporting in this category. Accordingly, the first item, *unavailable revenue – receivables*, is reported only in the governmental funds balance sheet as it arises only under a modified accrual basis of accounting. 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. The second item, deferred inflows for pensions, is reported only in the Statement of Net Position. See Note IV. F. for more information on this deferred inflow.

10. *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 General Fund shall be the only fund to report positive unassigned fund balance. All other governmental funds may report negative unassigned fund balance.

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 balances are 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.

11. *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.

12. *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.

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 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.

Financial Section

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
- Textbook rental

Special revenue funds:

- Athletic activity
- Student material revolving
- Supplemental grants – federal
- 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.

During the 2015 legislative session, House Substitute for Senate Bill 7 passed, amending and repealing numerous statutes pertaining to how public schools are financed in Kansas. For fiscal years ending June 30, 2016 and 2017, state aid will be provided in the form of a block grant, with the amount based in part on, and be at least equal to, total state financial support as determined in the fiscal year ending June 30, 2015. Additionally, state aid that had been previously restricted to use in specific funds was no longer deemed to be restricted. The Bill states that unencumbered fund balances in various funds previously restricted as to use may be used for the payment of expenses directly attributable to those funds, or may be transferred to the General Fund to pay for general operating expenses as approved by the District's board of education. Based on this change, certain funds that had previously been reported as special revenue funds (due to previously having revenue sources that were restricted to specific purposes) were reclassified and reported as part of the General Fund beginning with the fiscal year ended June 30, 2016. This included the 4 Year Old State Intervention, State Intervention (K-12), Bilingual Education, Vocational Education, and Textbook Rental Funds. No further changes were made during fiscal year ending June 30, 2017.

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, 2017, 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.

Financial Section

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, 2017, the securities underlying the District's repurchase agreements include FNMA and GNR government agency securities rated AA+ by Standard and Poor's.

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 investments in repurchase agreements, U.S Treasury bills and Treasury obligation mutual funds.

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.

Fair Value Measurements. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the investment.

Level 1 inputs are quoted prices in active markets for identical assets;

Level 2 inputs are significant other observable inputs, either directly or indirectly observable, and fair value can be determined through the use of models or other valuation methodologies;

Level 3 inputs are significant unobservable inputs in situations where there is little or no market activity for the asset or liability and the entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The District has the following recurring fair value measurements as of year-end:

U.S. Treasury securities and the Treasury obligation mutual funds are valued using quoted market prices (Level 1 inputs).

The repurchase agreement is an overnight instrument, with the fair value of the collateral underlying the repurchase agreement being in excess of the amount invested. Given the short-term nature of the agreement, it is measured at amortized cost.

As of June 30, 2017, the District had the following investments and maturities:

Investment Type	Investment Maturities (in Years)			Fair Value Hierarchy
	Fair Value	Less than 1	1-5	
Repurchase agreements	\$ 14,832,675	\$ 14,832,675	\$ --	N/A
U.S. Treasury bills	996,563	996,563	--	Level 1
Treasury obligation mutual	10,484,605	10,484,605	--	Level 1
Total	<u>\$ 26,313,843</u>	<u>\$ 26,313,843</u>	<u>\$ --</u>	

Financial Section

Deposits and investments at June 30, 2017 appear in the financial statements as summarized below:

Carrying amount of deposits	\$ 172,003,582
Carrying amount of investments	<u>26,313,843</u>
Total	<u>\$ 198,317,425</u>
Cash and investments - governmental funds, balance sheet	\$ 137,003,336
Cash and investments - internal service funds, statement of net position	<u>39,665,029</u>
Cash and investments - governmental activities statement of net position	176,668,365
Cash and investments - fiduciary funds	<u>21,649,060</u>
Total	<u>\$ 198,317,425</u>

B. Capital Assets

Capital asset activity for the year ended June 30, 2017 was as follows:

	Balance June 30, 2016	Increases	Decreases	Balance June 30, 2017
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 21,098,403	\$ --	\$ 218,377	\$ 20,880,026
Construction in progress	<u>73,301,334</u>	<u>22,832,239</u>	<u>88,068,732</u>	<u>8,064,841</u>
Total capital assets, not being depreciated	<u>94,399,737</u>	<u>22,832,239</u>	<u>88,287,109</u>	<u>28,944,867</u>
Capital assets, being depreciated:				
Buildings and improvements	964,082,574	84,734,104	1,688,696	1,047,127,982
Machinery and equipment	38,361,390	5,750,245	2,442,119	41,669,516
Land improvements	41,156,754	3,101,229	34,212	44,223,771
Intangibles	<u>4,573,659</u>	<u>--</u>	<u>--</u>	<u>4,573,659</u>
Total capital assets being depreciated	<u>1,048,174,377</u>	<u>93,585,578</u>	<u>4,165,027</u>	<u>1,137,594,928</u>
Less accumulated depreciation for:				
Buildings and improvements	295,847,814	24,561,305	984,262	319,424,857
Machinery and equipment	21,575,400	3,695,270	2,300,026	22,970,644
Land improvements	13,783,518	1,543,199	14,449	15,312,268
Intangibles	<u>526,225</u>	<u>235,834</u>	<u>--</u>	<u>762,059</u>
Total accumulated depreciation	<u>331,732,957</u>	<u>30,035,608</u>	<u>3,298,737</u>	<u>358,469,828</u>
Total capital assets, being depreciated, net	<u>716,441,420</u>	<u>63,549,970</u>	<u>866,290</u>	<u>779,125,100</u>
Governmental activities capital assets, net	<u>\$ 810,841,157</u>	<u>\$ 86,382,209</u>	<u>\$ 89,153,399</u>	<u>\$ 808,069,967</u>

Financial Section

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

Governmental activities:	
Instruction	\$ 27,395,964
Student and Instructional Support	52,741
Administration	7,392
Operations and Maintenance	2,134,127
Transportation	8,816
Nutrition Services	436,568
Total depreciation expense – governmental activities	<u>\$ 30,035,608</u>

C. Long-Term Obligations

Long-term liability activity for the year ended June 30, 2017 was as follows:

	Balance June 30, 2016	Prior period adjustment	Additions	Reductions	Balance June 30, 2017	Due within one year
General obligation bonds	\$ 431,790,000	\$ --	\$ --	\$ 21,915,000	\$ 409,875,000	\$ 23,085,000
Special assessments	797,949	--	193,989	416,684	575,254	575,254
Early retirement program	35,716,357	--	15,064,649	15,546,001	35,235,005	13,527,982
Compensated absences	10,564,000	--	18,911,000	19,319,000	10,156,000	674,000
Premium on bonds	11,711,745	--	--	3,018,849	8,692,896	2,684,077
Discount on bonds	(12,471)	--	--	(2,424)	(10,047)	(2,424)
Environmental liability	516,570	--	--	271,015	245,555	245,555
Claims payable	14,079,888	--	55,301,456	56,279,871	13,101,473	8,682,479
Net OPEB liability	20,688,762	13,664,263	6,361,376	--	40,714,401	--
Net pension liability	499,258,574	--	114,546,461	169,104,221	444,700,814	--
Total	<u>\$ 1,025,111,374</u>	<u>\$ 13,664,263</u>	<u>\$ 210,378,931</u>	<u>\$ 285,868,217</u>	<u>\$ 963,286,351</u>	<u>\$ 49,471,923</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 net pension liability will be liquidated primarily through KPERS employer contributions made from the KPERS Retirement Contribution Fund. The environmental liability will be liquidated primarily with funds from the Special Liability Expense Fund. The net OPEB liability will be liquidated by the Retiree Health Benefits Trust Fund as discussed in Note IV.G.

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 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

Financial Section

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, 2017, this sinking fund had a balance of \$10,015,793, 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 cost 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 were 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 position.

On November 15, 2015, the District issued \$39,400,000 in General Obligation Refunding and Improvement Bonds with interest rates with an average yield of 1.412% due October 1, 2021. The bond proceeds were used to construct, furnish, and equip new school facilities and advance refund \$37,995,000 of the Series 2009A bonds. The net proceeds related to the refunding of the Series 2009A bonds of \$42,433,450 were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the Series 2009A bonds. As a result, a portion of the Series 2009A bonds is considered to be defeased and the liability for those bonds has been removed from the government-wide statement of net position.

As of June 30, 2017, \$38,495,000 of advance refunded bonds have 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>
2018	\$ 23,085,000	\$ 19,561,763
2019	24,225,000	18,585,481
2020	24,875,000	17,557,769
2021	26,230,000	16,551,425
2022	27,700,000	15,465,925
2023 – 2027	213,310,000	51,997,200
2028 – 2029	70,450,000	3,615,375
Total	<u>\$ 409,875,000</u>	<u>\$ 143,334,938</u>

Special Assessment Taxes Payable. While the District does not have any special assessment bonded debt, the District is liable for certain special assessments on certain real property. The payments will be paid from future property tax revenues.

Financial Section

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 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 480 retirees receiving benefits.

For the year ended June 30, 2017, the District paid \$15,546,001 in benefits. The liability for the early retirement program includes the expected cash outflows related to future benefit payments, discounted at 2.90%.

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, 2017 were recorded as a reduction to the liability and additional contributions made during 2017 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 Activity

A summary of interfund transfers by fund type for the year ended June 30, 2017 is as follows:

	Transfer to:			
	Special Education	Capital Outlay	Internal Service	Total
Transfer from: General fund	\$ 40,824,388	\$ 4,273,658	\$ 900,000	\$ 45,998,046
Total	\$ 40,824,388	\$ 4,273,658	\$ 900,000	\$ 45,998,046

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.

The General Fund has a due from the Supplemental Grants – Federal fund of \$44,440 for negative cash balances. This is expected to be repaid over the next year.

Financial Section

E. Fund Balances

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

	General	Special Education	Nutrition Services	Capital Outlay	Bond and Interest	Nonmajor Governmental	Total
Nonspendable:							
Inventory	\$ 1,096,668	\$ --	\$ 1,203,757	\$ --	\$ --	\$ --	\$ 2,300,425
Restricted for:							
Instruction	--	--	--	--	--	3,276,703	3,276,703
Facilities	--	--	--	28,657,227	--	912,468	29,569,695
Debt Svc	--	--	--	--	47,935,209	--	47,935,209
Spec Ed	--	11,195,190	--	--	--	--	11,195,190
Nutrition	--	--	15,761,885	--	--	2,847	15,764,732
Fed & State	836,518	--	--	--	--	130,871	967,389
Assigned to:							
Instruction	18,870,149	--	--	--	--	--	18,870,149
Unassigned	19,839,442	--	--	--	--	--	19,839,442
Total	\$ 40,642,777	\$ 11,195,190	\$ 16,965,642	\$ 28,657,227	\$ 47,935,209	\$ 4,322,889	\$ 149,718,934

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.

Healthcare. All active employees of the District who are .75 FTE or higher, as well as grandfathered employees who are .5 to .75 FTE, 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.

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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.

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

	<u>Healthcare</u>	<u>Disability Reserve</u>	<u>Workers' Compensation</u>	<u>Risk Management</u>
Unpaid claims, June 30, 2015	\$ 5,588,000	\$ 86,000	\$ 7,252,455	\$ --
Incurred claims (including IBNR)	60,353,411	781,300	1,317,031	685,445
Claims payments	<u>(58,970,158)</u>	<u>(785,300)</u>	<u>(1,542,851)</u>	<u>(685,445)</u>
Unpaid claims, June 30, 2016	6,971,253	82,000	7,026,635	--
Incurred claims (including IBNR)	51,880,825	889,230	993,847	1,537,554
Claim payments	<u>(52,740,258)</u>	<u>(880,230)</u>	<u>(1,121,829)</u>	<u>(1,537,554)</u>
Unpaid claims, June 30, 2017	<u>\$ 6,111,820</u>	<u>\$ 91,000</u>	<u>\$ 6,898,653</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 Consultants, Inc., 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 \$245,555. This amount has been recorded with long-term liabilities 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, 2017, the District has outstanding construction commitments of \$244,565 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	\$ 3,060,037
Special Education	195,190
Nutrition Services	5,368,904
Capital Outlay	6,801,494
Nonmajor Governmental	<u>851,265</u>
Total	<u>\$ 16,276,890</u>

E. Tax Abatements

Due to tax abatements by the following local governments, the District's fiscal year 2017 property tax revenues were reduced by the total reflected below:

Sedgwick County	\$ 1,941,132
City of Wichita	1,458,779
City of Kechi	8,325
City of Bel Aire	8,787
Park City	<u>320,573</u>
Total	<u>\$ 3,737,596</u>

F. Defined Benefit Pension PlanGeneral Information about the Pension Plan

Plan description: The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS' website at <http://www.kpers.org>, by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Benefits provided. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Benefits are established by statute and may only be changed by the General Assembly. Member employees with ten or more years of credited service may retire as early as age 55, with an

actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever an employee's combined age and years of credited service equal 85 "points".

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, member employees may withdraw their contributions from their individual accounts, including interest. Member employees who withdraw their accumulated contributions lose all rights and privileges of membership. The accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Member employees choose one of seven payment options for their monthly retirement benefits. At retirement a member employee may receive a lump-sum payment of up to 50% of the actuarial present value of the member employee's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump-sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current member employees and employers. A new KPERS 3 cash balance retirement plan for new hires starting January 1, 2015, was created. Normal retirement age for KPERS 3 is 65 with five years of service or 60 years with 30 years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

The retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contributions rates. KPERS has multiple benefit structures and contribution rates depend on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member employee contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including 1.00% contribution rate for Death and Disability program) and the statutory contribution rate was 16.00% and 10.91%, respectively, for the fiscal year ended June 30, 2016. The actuarially determined employer contribution rate (not including 1.00% contribution rate for Death and Disability program) and the statutory contribution rate was 16.03% and 10.81%, respectively, for the fiscal year ended June 30, 2017.

For public school districts, K.S.A. 74-4939 states that the State of Kansas shall budget for the transfer from the state general fund sufficient sums to satisfy the participating district's obligations for employer contributions. K.S.A. 74-4939a then establishes the procedures for the actual distribution by the state, and subsequent remittance to KPERS, of the district's employer contributions. Under this statute, the state Department of Education disburses to the school district an amount equal to the participating employer's obligation. Upon receipt of each quarterly disbursement from the Department of Education, the school district must remit an equal amount to KPERS to satisfy the school district's obligation as a

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participating employer. Under these statutes, the District received and remitted amounts equal to the statutory contribution rate. Contributions to the pension plan from the District (excluding contributions for the Death and Disability Program) were \$27,581,510 and \$26,426,489 for the periods ended June 30, 2017 and 2016, respectively. Since the statutes require the State of Kansas to set the KPERS employer rate and also to budget and transfer a sufficient amount for employer contributions, the statutes do not permit the District to contribute additional amounts to the retirement program for the purposes of improving the funding status and reducing the liability recorded on the District's financial statements.

During the 2015 state legislative session, Senate Bill 228 was passed authorizing the issuance of one or more series of revenue bonds to provide deposits to KPERS in a total amount not to exceed value \$1 billion. The purpose of such bond issuance was to finance a portion of the unfunded actuarial pension liability of KPERS, which would affect the collective net pension liability. On August 20, 2015, the State issued \$1,005,180,000 of bonds in accordance with this bill and deposited \$1 billion of the proceeds to KPERS. During June 30, 2017, the District recorded \$66,165,270 in nonemployer contribution revenue for their proportionate share of this deposit.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, the District reported a liability of \$444,700,814 for its proportionate share of the KPERS' collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2016, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2015, which was rolled forward to June 30, 2016. The District's proportion of the collective net pension liability was based on the ratio of the District's actual contributions to KPERS, relative to the total employer and nonemployer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2016. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2016, the District's proportion was 6.62%, which was a decrease of 0.59% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$28,923,715. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 20,994,978
Net difference between projected and actual earnings on pension plan investments	40,165,666	-
Changes in proportionate share	8,140,383	35,656,996
Changes in assumptions	-	804,070
District contributions subsequent to measurement date	<u>27,581,510</u>	<u>-</u>
Total	<u>\$ 75,887,559</u>	<u>\$ 57,456,044</u>

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The \$27,581,510 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Deferred Outflows (Inflows) of Resources
2018	\$ (5,635,742)
2019	(5,635,743)
2020	6,955,865
2021	753,201
2022	(5,587,576)
	<u>\$ (9,149,995)</u>

Actuarial assumptions. The total pension liability for KPERS in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price inflation	3.00 percent
Wage inflation	4.00 percent
Salary increases, including wage increases	4.00 to 16.00 percent, including inflation
Long-term rate of return net of investment expense, and including price inflation	8.00 percent

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study conducted for the three-year period beginning December 31, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocations as of June 30, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global equity	47%	6.80%
Fixed income	13	1.25
Yield driven	8	6.55
Real return	11	1.71
Real estate	11	5.05
Alternatives	8	9.85
Short-term investments	2	(0.25)
Total	<u>100%</u>	

Discount rate. The discount rate used by KPERS to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The State/School subgroup of employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the

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employer contribution rates certified by the KPERS' Board of Trustees for this group may not increase by more than the statutory cap. The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in the future. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the collective net pension liability to changes in the discount rate. The following presents the District's proportionate share of the collective net pension liability calculated using the discount rate of 8.00%, as well as what the District's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
District's proportionate share of the collective net pension liability	\$ 578,250,949	\$ 444,700,814	\$ 331,258,884

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued KPERS' financial report.

Subsequent events. Under the budgetary allotment process for the State of Kansas, the Kansas governor has authority to reduce or defer the approved budget for purposes of balancing the budget. For the State's fiscal year ending June 30, 2016, approximately \$99 million in State funded employer contributions to the State/School group were deferred and to be repaid with interest. During the State's fiscal year ending June 30, 2017, legislation passed stating this payment will no longer be repaid.

The State of Kansas contribution to KPERS for all school municipalities for the year ending June 30, 2017, received as of June 30th was \$304,596,361. Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43 (17) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million per year.

It is unknown at the time whether these reductions will have a significant effect on the District's proportionate share of the KPERS' collective net pension liability, or an effect on any actuarial assumptions used by KPERS to calculate the collective net pension liability.

G. Postemployment Benefits Other Than Pensions

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 (District). The Plan does not issue a stand-alone audited GAAP basis financial report.

Investment policy. The District's policy in regard to the allocation of invested assets is established and may be amended by the Board of Education. As of June 30, 2017, the targeted allocation was 100% in cash equivalents for liquidity purposes.

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Rate of return. For the year ended June 30, 2017, the annual money-weighted rate of return on investments, net of investment expense, was 0.64%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

General Information About the Plan

Plan description and benefits provided. 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 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 are offered the plan with the highest coverage levels, which is one of several options offered to active employees. Within that plan, retirees and spouses have the same benefits 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, 2016, the date of the latest actuarial valuation:

Inactive plan members or beneficiaries receiving benefits	881
Active plan members	<u>6,620</u>
Total	<u><u>7,501</u></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, which are 125% of the premium cost for active employees, as allowed by statute. 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. For the year ended June 30, 2017, the District did not contribute into the Plan but used available trust fund net position to cover benefit payments.

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Total OPEB Liability of the District

The components of the net OPEB liability of the District at June 30, 2017, were as follows:

Total OPEB liability	\$ 40,927,826
Plan fiduciary net position	213,425
District's net OPEB liability	<u>\$ 40,714,401</u>

Plan fiduciary net position as a percentage of the total OPEB liability	0.52%
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Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017.

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of July 1, 2016, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.00%
Investment rate of return	0.40%
Healthcare cost trend rates	6.75% for 2016 grading to 5.00% over 7 years

Mortality rates were based on the RPH-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale.

The actuarial assumptions used in the July 1, 2016 valuation were based on similar assumptions used to value pension liabilities for Kansas school district employees. The Kansas state pension plans base their assumptions on periodic experience studies.

The long-term expected rate of return on OPEB Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. As of June 30, 2017, the District only had investments in cash equivalents with a long-term expected real rate of return of 0.40%.

Discount rate. The discount rate used to measure the total OPEB liability was 2.90%. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the trust fund is exhausted are discounted at the 20-year municipal bond rate. Based on those assumptions, the OPEB Plan's fiduciary net position was not projected to be available to make any projected future benefit payments of current Plan members. Therefore, the 20-year municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

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Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2016	\$ 40,053,979	\$ 5,700,954	\$ 34,353,025
Changes from the prior year:			
Service cost	2,417,716	-	2,417,716
Interest cost	1,192,288	-	1,192,288
Assumption changes	-	-	-
Plan changes	-	-	-
Employee contributions	2,740,447	-	2,740,447
Projected investment return	-	22,804	(22,804)
Difference between expected and actual experience	-	(33,729)	33,729
Benefit payments	(5,476,604)	(5,476,604)	-
Administrative expenses	-	-	-
Other changes	-	-	-
Total net changes	873,847	(5,487,529)	6,361,376
Balances at June 30, 2017	\$ 40,927,826	\$ 213,425	\$ 40,714,401

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.90%) or 1-percentage-point higher (3.90%) than the current discount rate:

	1% Decrease 1.90%	Discount Rate 2.90%	1% Increase 3.90%
Net OPEB liability	\$ 44,878,235	\$ 40,714,401	\$ 36,912,041

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.75% decreasing to 4.00%) or 1-percentage-point higher (7.75% decreasing to 6.00%) than the current healthcare cost trend rates:

	1% Decrease (5.75% decreasing to 4.00%)	Discount Rate (6.75% decreasing to 5.00%)	1% Increase (7.75% decreasing to 6.00%)
Net OPEB liability	\$ 35,346,765	\$ 40,714,401	\$ 47,194,188

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OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2017, the District recognized OPEB expense of \$3,593,946. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Net difference between projected and actual earnings on OPEB plan investments	26,983	-
Changes in assumptions	-	-
Total	<u>\$ 26,983</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	Deferred Outflows (Inflows) of Resources
2018	\$ 6,746
2019	6,746
2020	6,746
2021	6,745
	<u>\$ 26,983</u>

Prior period adjustment. The implementation of GASB 75 resulted in a \$13,664,263 increase to the net OPEB liability and decrease to net position as of July 1, 2016.

H. Other Employee Benefit Trust Funds

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

	Early Retirement Incentive Plan Trust	Retiree Benefit Trust	Totals
Total assets	\$ 16,774,315	\$ 213,425	\$ 16,987,740
Total liabilities	-	-	-
Net position	<u>\$ 16,774,315</u>	<u>\$ 213,425</u>	<u>\$ 16,987,740</u>
Additions	\$ 15,645,568	\$ (10,925)	\$ 15,634,643
Deductions	14,851,901	5,476,604	20,328,505
Change in net position	793,667	(5,487,529)	(4,693,862)
Beginning net position	15,980,648	5,700,954	21,681,602
Ending net position	<u>\$ 16,774,315</u>	<u>\$ 213,425</u>	<u>\$ 16,987,740</u>

I. 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. 83, *Certain Asset Retirement Obligations*, addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability and a corresponding deferred outflow of resources for AROs when the liability is incurred and reasonable estimable. This statement also requires disclosure of information about the nature of a government's AROs, the methods and assumptions used for estimating the liability and the estimated remaining useful life of the associated tangible capital asset. The provisions of this statement are effective for financial statements for the District's fiscal year ending June 30, 2019.

GASB Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when demands for resources has been made or when no further action, approval or condition is required to be taken or met by the beneficiary to release the assets. The provisions of this statement are effective for financial statements for the District's fiscal year ending June 30, 2020.

GASB Statement No. 85, *Omnibus 2017*, addresses practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). The provisions of this statement are effective for financial statements for the District's fiscal year ending June 30, 2018.

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources-resources other than the proceeds of refunding debt-are placed in an irrevocable trust for the sole purpose of extinguishing debt. This statement improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to the financial statements for debt that is defeased in substance. The provisions of this statement are effective for financial statements for the District's fiscal year ending June 30, 2018.

GASB Statement No. 87, *Leases*, improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Provisions of this statement are effective for financial statements for the District's fiscal year ending June 30, 2021.

Required Supplementary Information



Financial Section

**WICHITA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 259****REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2017

**Schedule of Changes in the
District's Net OPEB Liability and Related Ratios
Last Fiscal Year***

	<u>2017</u>
Total OPEB liability	
Service cost	\$ 2,417,716
Interest	1,192,288
Employee contributions	2,740,447
Benefit payments	<u>(5,476,604)</u>
Net change in total OPEB liability	873,847
Total OPEB liability - beginning	<u>40,053,979</u>
Total OPEB liability - ending (a)	<u><u>\$ 40,927,826</u></u>
 Plan fiduciary net position	
Employer contributions	\$ -
Net investment income	(10,925)
Benefit payments	(5,476,604)
Administrative expenses	<u>-</u>
Net change in plan fiduciary net position	(5,487,529)
Plan fiduciary net position - beginning	<u>5,700,954</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 213,425</u></u>
 District's net OPEB liability - ending (a) - (b)	<u><u>\$ 40,714,401</u></u>
 Plan fiduciary net position as a percentage of the total OPEB liability	 0.52%
 Covered payroll	 \$ 313,777,421
 District's net OPEB liability as a percentage of covered payroll	 12.98%

* GASB 74 and 75 requires presentation of ten years. As of June 30, 2017, only one year of information is available.

WICHITA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 259
REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2017

Schedule of Investment Returns - Retiree Benefit Trust (OPEB)
Last Seven Fiscal Years*

	2017	2016	2015	2014	2013	2012	2011
Annual money-weighted rate of return, net of investment expense	0.64%	0.62%	0.41%	0.41%	0.04%	0.14%	0.14%

* GASB 74 requires ten years. As of June 30, 2017, only seven years of information is available.

Financial Section

**WICHITA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 259****REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2017

**Share of the Collective Net Pension Liability
Kansas Public Employees Retirement System
Last Four Fiscal Years***

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Measurement Date	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
District's proportion of the collective net pension liability	6.617%	7.210%	7.159%	6.997%
District's proportionate share of the collective net pension liability	\$444,700,814	\$499,258,574	\$457,481,114	\$508,221,480
District's covered payroll	\$318,036,320	\$315,685,482	\$311,279,122	\$304,023,616
District's proportionate share of the collective net pension liability as a percentage of its covered payroll	140%	158%	147%	167%
Plan fiduciary net position as a percentage of the total pension liability	65.10%	64.95%	66.60%	59.94%

* GASB 68 requires presentation of ten years. As of June 30, 2017 only four years of information is available.

Note: Information on this schedule is measured as of the measurement date.

Financial Section

**WICHITA PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 259****REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2017

**Schedule of District's Contributions
Kansas Public Employees Retirement System
Last Four Fiscal Years***

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 27,581,510	\$ 26,426,489	\$ 30,172,889	\$ 30,792,556
Contributions in relation to the contractually required contribution	<u>(27,581,510)</u>	<u>(26,426,489)</u>	<u>(30,172,889)</u>	<u>(30,792,556)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$319,342,479	\$318,036,320	\$315,685,482	\$ 311,279,122
Contributions as a percentage of covered payroll	8.64%	8.31%	9.56%	9.89%

* GASB 68 requires presentation of ten years. As of June 30, 2017, only four years of information is available.

Note: 2016 covered payroll has been updated to reflect total covered payroll for fiscal year 2016.

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

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2017

Changes in benefit terms for KPERS. Effective January 1, 2014, KPERS Tier 1 members' employee contribution rate increased to 5.0% and then on January 1, 2015, increased to 6.0% with an increase in benefit multiplier to 1.85% for future years of service. For Tier 2 members retiring after July 1, 2012, the cost of living adjustment (COLA) is eliminated, but members will receive a 1.85% multiplier for all years of service.

January 1, 2015, the KPERS 3 cash balance plan became effective. Members enrolled in this plan are ones first employed in a KPERS covered position on or after January 1, 2015, or KPERS 1 or KPERS 2 members who left employment before vesting and returned to employment on or after January 1, 2015. The retirement benefit is an annuity based on the account balance at retirement.

Changes in assumptions.

The major items of impact in the actuarial valuation dated December 31, 2014 relative to the prior valuation are as follows:

- Reduce disability rates by 20% for all three KPERS groups.
- Increase the termination of employment rates for State-Males and Local Males and Females.
- Modify the election of a deferred benefit by Local vested members who terminate employment in future years.
- Modify the retirement rates for the C60 group.
- Increase the load for the impact of final average salary provisions for Local, C55 and C60 members hired before July 1, 1993.
- Establish an interest crediting rate of 6.50% for KPERS 3 members.

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, 2017

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ 14,742	\$ 14,742
Intergovernmental - State	366,851,021	352,496,722	352,301,057	(195,665)
Other	195,986	195,986	149,132	(46,854)
Earnings on investments	140,000	140,000	367,777	227,777
Total revenue	367,187,007	352,832,708	352,832,708	-
Expenditures:				
Current:				
Instruction	114,648,160	112,059,079	112,155,063	95,984
Student and instructional support	26,901,992	26,901,992	27,287,838	385,846
Administration	32,654,441	32,654,441	32,623,098	(31,343)
Operations and maintenance	33,303,969	33,303,969	31,791,856	(1,512,113)
Student transportation service	80,000	80,000	85,842	5,842
Total expenditures	207,588,562	204,999,481	203,943,697	(1,055,784)
Revenue over expenditures	159,598,445	147,833,227	148,889,011	1,055,784
Other financing sources (uses):				
Transfer out	(165,118,895)	(153,353,677)	(154,409,461)	1,055,784
Total other financing sources (uses)	(165,118,895)	(153,353,677)	(154,409,461)	1,055,784
Revenues and other financing sources over (under) expenditures and other uses	(5,520,450)	(5,520,450)	(5,520,450)	-
Fund balances at beginning of year	5,520,450	5,520,450	5,520,450	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -

Explanation of difference between budgetary and GAAP fund balances:

Separately budgeted general fund subfunds:

Supplemental General, including \$2,113,458 of encumbrances	5,338,910
Professional Development, including \$283 of encumbrances	1,000,283
State Intervention (K-12), including \$255,714 of encumbrances	255,714
Bilingual Education, including (\$1,447) of encumbrances	348,553
Vocational Education, including \$32,680 of encumbrances	285,198
Textbook Rental, including \$25,952 of encumbrances	14,560,860
4 Year Old State Intervention, including \$301 of encumbrances	301

Non-budgeted general fund subfunds:

Contingency Reserve	14,873,751
Supplemental Grants - State and Local, including \$297,857 of encumbrances	2,547,300

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

335,239

Inventory purchases are outflows of budgetary resources but are not expenditures for GAAP.

1,096,668

GAAP fund balance at end of year

\$ 40,642,777

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, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Intergovernmental - Federal	\$ 19,200,000	\$ 19,200,000	\$ 20,884,693	\$ 1,684,693
Intergovernmental - State	-	-	3,413	3,413
Other	120,000	120,000	108,943	(11,057)
Total revenues	19,320,000	19,320,000	20,997,049	1,677,049
Expenditures:				
Current:				
Instruction	67,487,334	67,487,334	64,577,784	(2,909,550)
Student and instructional support	24,791,112	24,791,112	25,793,534	1,002,422
Administration	2,613,488	2,613,488	2,677,458	63,970
Operations and maintenance	1,312,928	1,312,928	1,337,506	24,578
Student transportation service	12,215,240	12,215,240	10,523,594	(1,691,646)
Total expenditures	108,420,102	108,420,102	104,909,876	(3,510,226)
Revenues over (under) expenditures	(89,100,102)	(89,100,102)	(83,912,827)	5,187,275
Other financing sources (uses):				
Transfers in	88,100,101	88,100,101	83,912,826	(4,187,275)
Total other financing sources (uses)	88,100,101	88,100,101	83,912,826	(4,187,275)
Revenues and other financing sources over (under) expenditures and other uses	(1,000,001)	(1,000,001)	(1)	1,000,000
Fund balances at beginning of year	11,000,001	11,000,001	11,000,001	-
Fund balances at end of year	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ 11,000,000</u>	<u>\$ 1,000,000</u>
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.			195,190	
GAAP fund balance at end of year			<u>\$ 11,195,190</u>	

Financial Section

**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, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Intergovernmental - State	\$ 211,082	\$ 211,082	\$ 241,267	\$ 30,185
Intergovernmental - Federal	18,634,886	18,634,886	20,021,253	1,386,367
Charges for services	3,877,290	3,877,290	3,266,520	(610,770)
Earnings on investments	30,000	30,000	88,122	58,122
Other	-	-	930,421	930,421
Total revenues	<u>22,753,258</u>	<u>22,753,258</u>	<u>24,547,583</u>	<u>1,794,325</u>
Expenditures:				
Current:				
Nutrition services	<u>27,326,358</u>	<u>27,326,358</u>	<u>23,639,948</u>	<u>(3,686,410)</u>
Total expenditures	<u>27,326,358</u>	<u>27,326,358</u>	<u>23,639,948</u>	<u>(3,686,410)</u>
Revenues over (under) expenditures	(4,573,100)	(4,573,100)	907,635	5,480,735
Fund balances at beginning of year	<u>9,485,346</u>	<u>9,485,346</u>	<u>9,485,346</u>	<u>-</u>
Fund balances at end of year	<u>\$ 4,912,246</u>	<u>\$ 4,912,246</u>	<u>\$ 10,392,981</u>	<u>\$ 5,480,735</u>
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.			5,368,904	
Inventory purchases are outflows of budgetary resources but are not expenditures for GAAP.			<u>1,203,757</u>	
GAAP fund balance at end of year			<u>\$ 16,965,642</u>	

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.

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

State Intervention (K-12) – used to account for costs incurred to support the needs of the elementary, middle, and high school at-risk students.

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

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

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

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:

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.

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.

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:

Bond Capital Projects – used to account for capital improvements that are financed by the District's general obligation bond issues.

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, 2017**

General Fund Subfunds

	General	Supplemental General	Contingency Reserve	Supplemental Grants - State and Local	Professional Development	4 Year Old State Intervention	State Intervention (K-12)	Bilingual Education	Vocational Education	Textbook Rental	Total General Fund
Assets:											
Cash, cash equivalents and investments	\$ -	\$ 418,763	\$ -	\$ 3,142,203	\$ 1,187,168	\$ 29,885	\$ 1,129,439	\$ 476,154	\$ 438,727	\$ 14,630,662	\$ 21,453,001
Intergovernmental receivables	-	-	-	10,045	-	-	-	-	-	-	10,045
State aid receivable	21,930,631	6,128,183	-	-	-	-	-	-	-	-	28,058,814
Due from other funds	-	3,123,331	14,873,751	-	-	-	-	-	-	-	17,997,082
Inventory	1,096,668	-	-	-	-	-	-	-	-	-	1,096,668
Total assets	\$ 23,027,299	\$ 9,670,277	\$ 14,873,751	\$ 3,152,248	\$ 1,187,168	\$ 29,885	\$ 1,129,439	\$ 476,154	\$ 438,727	\$ 14,630,662	\$ 68,615,610
Liabilities:											
Accounts payable	\$ 372,562	\$ 3,892,594	\$ -	\$ 372,254	\$ 1,786	\$ -	\$ 47,255	\$ 2,140	\$ 51,698	\$ 69,802	\$ 4,810,091
Accrued payroll	3,270,188	438,773	-	7,289	185,099	29,584	826,470	125,461	101,831	-	4,984,695
Advance - grants	-	-	-	225,405	-	-	-	-	-	-	225,405
Due to other funds	17,952,642	-	-	-	-	-	-	-	-	-	17,952,642
Total liabilities	21,595,392	4,331,367	-	604,948	186,885	29,584	873,725	127,601	153,529	69,802	27,972,833
Fund Balances:											
Nonspendable	1,096,668	-	-	-	-	-	-	-	-	-	1,096,668
Restricted	-	-	-	836,518	-	-	-	-	-	-	836,518
Assigned	335,239	2,113,458	-	1,319,096	283	301	255,714	-	285,198	14,560,860	18,870,149
Unassigned	-	3,225,452	14,873,751	391,686	1,000,000	-	-	348,553	-	-	19,839,442
Total fund balances	1,431,907	5,338,910	14,873,751	2,547,300	1,000,283	301	255,714	348,553	285,198	14,560,860	40,642,777
Total liabilities and fund balances	\$ 23,027,299	\$ 9,670,277	\$ 14,873,751	\$ 3,152,248	\$ 1,187,168	\$ 29,885	\$ 1,129,439	\$ 476,154	\$ 438,727	\$ 14,630,662	\$ 68,615,610

**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, 2017**

	General Fund Subfunds										Total General Fund
	General	Supplemental General	Contingency Reserve	Supplemental Grants - State and Local	Professional Development	4 Year Old State Intervention	State Intervention (K-12)	Bilingual Education	Vocational Education	Textbook Rental	
Revenues:											
Taxes	\$ 14,742	\$ 50,934,667	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,949,409
Intergovernmental - State	280,162,342	60,417,935	-	57,678	-	-	-	-	22,951	-	340,660,906
Charges for services	-	-	-	264,704	-	-	90,945	-	267,423	561,103	1,184,175
Earnings on investments	367,777	-	-	6,639	-	-	-	-	-	-	374,416
Other	21,682	31,957	-	1,071,428	134,260	-	1,426	7,280	-	-	1,268,033
Contributions	-	-	-	624,528	-	-	-	-	-	-	624,528
Total revenues	280,566,543	111,384,559	-	2,024,977	134,260	-	92,371	7,280	290,374	561,103	395,061,467
Expenditures:											
Current:											
Instruction	112,024,426	351,417	-	911,454	-	4,433,343	64,051,318	11,592,879	8,554,868	6,294,342	208,214,047
Student and instructional support	27,221,637	1,011,243	-	138,034	1,552,594	25,880	690,162	737,750	3,361	-	31,380,661
Administration	32,613,096	904,005	-	36,841	-	-	170,582	505,834	633,901	-	34,864,259
Operations and maintenance	31,846,082	26,975,190	-	697,561	-	69,334	5,980	270	75,610	-	59,670,027
Student transportation service	85,842	12,738,510	-	8,772	-	-	-	4,344	-	-	12,837,468
Nutrition services	-	-	-	7,599	-	-	-	-	-	-	7,599
Facility acquisition and construction service	-	-	-	581,013	-	-	-	-	-	-	581,013
Total expenditures	203,791,083	41,980,365	-	2,381,274	1,552,594	4,528,557	64,918,042	12,841,077	9,267,740	6,294,342	347,555,074
Excess (deficiency) of revenues over (under) expenditures	76,775,460	69,404,194	-	(356,297)	(1,418,334)	(4,528,557)	(64,825,671)	(12,833,797)	(8,977,366)	(5,733,239)	47,506,393
Other financing sources (uses):											
Transfers in	-	-	4,751,424	-	2,413,414	4,528,858	64,917,084	13,174,783	9,260,103	7,365,463	106,411,129
Transfers out	(82,270,746)	(70,138,429)	-	-	-	-	-	-	-	-	(152,409,175)
Total other financing sources (uses)	(82,270,746)	(70,138,429)	4,751,424	-	2,413,414	4,528,858	64,917,084	13,174,783	9,260,103	7,365,463	(45,998,046)
Net change in fund balances	(5,495,286)	(734,235)	4,751,424	(356,297)	995,080	301	91,413	340,986	282,737	1,632,224	1,508,347
Fund balances at beginning of year	6,899,954	6,073,145	10,122,327	2,903,697	5,203	-	164,301	7,567	2,461	12,928,636	39,107,191
Change in reserve for inventory	27,239	-	-	-	-	-	-	-	-	-	27,239
Fund balances at end of year	\$ 1,431,907	\$ 5,338,910	\$ 14,873,751	\$ 2,547,300	\$ 1,000,283	\$ 301	\$ 255,714	\$ 348,553	\$ 285,198	\$ 14,560,860	\$ 40,642,777

**Wichita Public Schools
Unified School District No. 259
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017**

	Special Revenue Funds					
	Virtual Education	Latchkey	Parents as Teachers	Summer School	Special Liability Expense	Athletic Activity
Assets:						
Cash, cash equivalents and investments	\$ 274,686	\$ 1,341,460	\$ 53,593	\$ 278,670	\$ 487,397	\$ 600,126
Restricted cash, cash equivalents and investments	-	-	-	-	-	-
Accounts receivable	-	-	24,493	-	-	-
Total assets	\$ 274,686	\$ 1,341,460	\$ 78,086	\$ 278,670	\$ 487,397	\$ 600,126
Liabilities:						
Accounts payable	\$ 772	\$ 36,444	\$ 370	\$ -	\$ 28,668	\$ 9,660
Accrued payroll	7,965	245,609	7,882	18,282	-	-
Advance - grants	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	8,737	282,053	8,252	18,282	28,668	9,660
Fund Balances:						
Restricted	265,949	1,059,407	69,834	260,388	458,729	590,466
Total fund balances	265,949	1,059,407	69,834	260,388	458,729	590,466
Total liabilities and fund balances	\$ 274,686	\$ 1,341,460	\$ 78,086	\$ 278,670	\$ 487,397	\$ 600,126

(continued)

**Wichita Public Schools
Unified School District No. 259
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017
(continued)**

	Special Revenue Funds				Capital Project Funds			Total
	Music Rental	Student Material Revolving	Supplemental Grants - Federal	KPERS Retirement Contributions	Bond Capital Projects	Special Assessments	Nonmajor Governmental Funds	
Assets:								
Cash, cash equivalents and investments	\$ 173,483	\$ 403,529	\$ -	\$ -	\$ -	\$ 667,903	\$ 4,280,847	
Restricted cash, cash equivalents and investments	-	-	-	-	253,930	-	253,930	
Accounts receivable	-	-	1,554,178	-	-	-	1,578,671	
Total assets	\$ 173,483	\$ 403,529	\$ 1,554,178	\$ -	\$ 253,930	\$ 667,903	\$ 6,113,448	
Liabilities:								
Accounts payable	\$ -	\$ 5,082	\$ 423,523	\$ -	\$ 9,365	\$ -	\$ 513,884	
Accrued payroll	-	-	934,498	-	-	-	1,214,236	
Advance - grants	-	-	17,999	-	-	-	17,999	
	-	-	44,440	-	-	-	44,440	
Total liabilities	-	5,082	1,420,460	-	9,365	-	1,790,559	
Fund Balances:								
Restricted	173,483	398,447	133,718	-	244,565	667,903	4,322,889	
Total fund balances	173,483	398,447	133,718	-	244,565	667,903	4,322,889	
Total liabilities and fund balances	\$ 173,483	\$ 403,529	\$ 1,554,178	\$ -	\$ 253,930	\$ 667,903	\$ 6,113,448	

**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, 2017**

	Special Revenue Funds						
	Virtual Education	Latchkey	Parents as Teachers	Summer School	Special Liability Expense	Athletic Activity	
Revenues:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 359	\$ -	
Intergovernmental - State	1,468,767	-	60,761	-	-	-	
Intergovernmental - Federal	-	533,412	67,567	-	-	-	
Charges for services	2,160	2,728,624	-	124,799	-	453,652	
Earnings on investments	-	-	-	-	3,466	1,340	
Other	13,529	329	25,000	281	-	584,624	
Total revenues	1,484,456	3,262,365	153,328	125,080	3,825	1,039,616	
Expenditures:							
Current:							
Instruction	1,095,529	3,604,860	-	72,781	-	724,321	
Student and instructional support	38,742	-	190,364	10,966	-	-	
Administration	129,013	-	-	8,388	-	-	
Operations and maintenance	-	-	-	14,477	329,101	-	
Student transportation service	64,996	-	-	-	-	70,621	
Nutrition services	-	-	-	-	-	-	
Facility acquisition and construction service	-	-	-	-	-	-	
Total expenditures	1,328,280	3,604,860	190,364	106,612	329,101	794,942	
Net change in fund balance	156,176	(342,495)	(37,036)	18,468	(325,276)	244,674	
Fund balances at beginning of year	109,773	1,401,902	106,870	241,920	784,005	345,792	
Fund balances at end of year	\$ 265,949	\$ 1,059,407	\$ 69,834	\$ 260,388	\$ 458,729	\$ 590,466	

(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, 2017
(continued)**

	Special Revenue Funds				Capital Project Funds			Total
	Music Rental	Student Material Revolving	Supplemental Grants - Federal	KPERS Retirement Contributions	Bond Capital Projects	Special Assessments	Nonmajor Governmental Funds	
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,187	\$ 80,546	
Intergovernmental - State	-	-	-	27,581,510	-	-	29,111,038	
Intergovernmental - Federal	-	-	32,721,248	-	-	-	33,322,227	
Charges for services	58,724	605,874	-	-	-	-	3,973,833	
Earnings on investments	-	-	-	-	2,690	-	7,496	
Other	-	10,594	2,316	-	49,281	-	685,954	
Total revenues	58,724	616,468	32,723,564	27,581,510	51,971	80,187	67,181,094	
Expenditures:								
Current:								
Instruction	31,583	411,887	16,211,536	17,750,057	-	-	39,902,554	
Student and instructional support	-	335,861	13,934,056	4,382,219	-	-	18,892,208	
Administration	-	-	729,390	2,503,335	-	-	3,370,126	
Operations and maintenance	-	-	70,210	2,449,068	-	-	2,862,856	
Student transportation service	-	-	11,012	53,062	-	-	199,691	
Nutrition services	-	-	673,424	443,769	-	-	1,117,193	
Facility acquisition and construction service	-	-	-	-	1,634,190	416,684	2,050,874	
Total expenditures	31,583	747,748	31,629,628	27,581,510	1,634,190	416,684	68,395,502	
Net change in fund balance	27,141	(131,280)	1,093,936	-	(1,582,219)	(336,497)	(1,214,408)	
Fund balances at beginning of year	146,342	529,727	(960,218)	-	1,826,784	1,004,400	5,537,297	
Fund balances at end of year	\$ 173,483	\$ 398,447	\$ 133,718	\$ -	\$ 244,565	\$ 667,903	\$ 4,322,889	

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, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ 47,825,978	\$ 47,825,978	\$ 50,934,667	\$ 3,108,689
Intergovernmental - State	60,417,935	60,417,935	60,417,935	-
Other	-	-	116,763	116,763
Total revenues	108,243,913	108,243,913	111,469,365	3,225,452
Expenditures:				
Current:				
Instruction	162,000	162,000	351,415	189,415
Student and instructional support	1,144,985	1,144,985	1,004,003	(140,982)
Administration	1,020,798	1,020,798	904,151	(116,647)
Operations and maintenance	28,854,843	28,854,843	26,272,090	(2,582,753)
Student transportation service	13,878,887	13,878,887	12,699,377	(1,179,510)
Total expenditures	45,061,513	45,061,513	41,231,036	(3,830,477)
Revenues over (under) expenditures	63,182,400	63,182,400	70,238,329	7,055,929
Other financing sources (uses):				
Transfers out	(66,307,952)	(66,307,952)	(70,138,429)	3,830,477
Total other financing sources (uses)	(66,307,952)	(66,307,952)	(70,138,429)	3,830,477
Revenues and other financing sources over (under) expenditures and other uses	(3,125,552)	(3,125,552)	99,900	3,225,452
Fund balances at beginning of year	3,125,552	3,125,552	3,125,552	-
Fund balances at end of year	\$ -	\$ -	\$ 3,225,452	\$ 3,225,452

Financial Section

**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, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Other	\$ -	\$ -	\$ 139,760	\$ 139,760
Total revenues	-	-	139,760	139,760
Expenditures:				
Current:				
Student and instructional support	1,806,837	1,806,837	1,553,174	(253,663)
Total expenditures	1,806,837	1,806,837	1,553,174	(253,663)
Revenues over (under) expenditures	(1,806,837)	(1,806,837)	(1,413,414)	393,423
Other financing sources (uses):				
Transfers in	1,806,837	1,806,837	2,413,414	606,577
Total other financing sources (uses)	1,806,837	1,806,837	2,413,414	606,577
Revenues and other financing sources over (under) expenditures and other uses	-	-	1,000,000	1,000,000
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000

Financial Section

**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, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Other	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Current:				
Instruction	4,861,632	4,861,632	4,433,644	(427,988)
Student and instructional support	41,596	41,596	25,880	(15,716)
Administration	1,045	1,045	-	(1,045)
Operations and maintenance	68,369	68,369	69,334	965
Total expenditures	4,972,642	4,972,642	4,528,858	(443,784)
Revenues over (under) expenditures	(4,972,642)	(4,972,642)	(4,528,858)	443,784
Other financing sources (uses):				
Transfers in	4,972,642	4,972,642	4,528,858	(443,784)
Total other financing sources (uses)	4,972,642	4,972,642	4,528,858	(443,784)
Revenues and other financing sources over (under) expenditures and other uses	-	-	-	-
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
State Intervention Fund (K-12)
Year ended June 30, 2017**

	Budgeted Amounts		Actual Amounts Budgetary	Variance with Final Budget Over/ (Under)
	Original	Final	Basis	
Revenues:				
Charges for services	\$ 95,000	\$ 95,000	\$ 90,945	\$ (4,055)
Other	-	-	16,983	16,983
Total revenues	95,000	95,000	107,928	12,928
Expenditures:				
Current:				
Instruction	65,923,982	65,923,982	64,168,829	(1,755,153)
Student and instructional support	672,023	672,023	681,288	9,265
Administration	230,478	230,478	168,915	(61,563)
Operations and maintenance	1,339	1,339	5,980	4,641
Total expenditures	66,827,822	66,827,822	65,025,012	(1,802,810)
Revenues over (under) expenditures	(66,732,822)	(66,732,822)	(64,917,084)	1,815,738
Other financing sources (uses):				
Transfers in	66,732,822	66,732,822	64,917,084	(1,815,738)
Total other financing sources (uses)	66,732,822	66,732,822	64,917,084	(1,815,738)
Revenues and other financing sources over (under) expenditures and other uses	-	-	-	-
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
Bilingual Education Fund
Year ended June 30, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Other	\$ -	\$ -	\$ 11,620	\$ 11,620
Total revenues	-	-	11,620	11,620
Expenditures:				
Current:				
Instruction	12,280,132	12,280,132	11,592,053	(688,079)
Student and instructional support	919,899	919,899	733,894	(186,005)
Administration	666,512	666,512	510,186	(156,326)
Operations and maintenance	-	-	270	270
Total expenditures	13,866,543	13,866,543	12,836,403	(1,030,140)
Revenues over (under) expenditures	(13,866,543)	(13,866,543)	(12,824,783)	1,041,760
Other financing sources (uses):				
Transfers in	13,866,543	13,866,543	13,174,783	(691,760)
Total other financing sources (uses)	13,866,543	13,866,543	13,174,783	(691,760)
Revenues and other financing sources over (under) expenditures and other uses	-	-	350,000	350,000
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ 350,000	\$ 350,000

Financial Section

**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, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Intergovernmental - State	\$ 35,084	\$ 35,084	\$ 22,951	\$ (12,133)
Charges for services	-	-	267,423	267,423
Other	343,550	343,550	400	(343,150)
Total revenues	378,634	378,634	290,774	(87,860)
Expenditures:				
Current:				
Instruction	9,096,608	9,096,608	8,587,790	(508,818)
Student and instructional support	-	-	3,361	3,361
Administration	677,731	677,731	633,944	(43,787)
Operations and maintenance	82,677	82,677	75,610	(7,067)
Total expenditures	9,857,016	9,857,016	9,300,705	(556,311)
Revenues over (under) expenditures	(9,478,382)	(9,478,382)	(9,009,931)	468,451
Other financing sources (uses):				
Transfers in	9,476,036	9,476,036	9,260,103	(215,933)
Total other financing sources (uses)	9,476,036	9,476,036	9,260,103	(215,933)
Revenues and other financing sources over (under) expenditures and other uses	(2,346)	(2,346)	250,172	252,518
Fund balances at beginning of year	2,346	2,346	2,346	-
Fund balances at end of year	\$ -	\$ -	\$ 252,518	\$ 252,518

Financial Section

**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, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 2,160	\$ 2,160
Other	-	-	20,361	20,361
Total revenues	-	-	22,521	22,521
Expenditures:				
Current:				
Instruction	2,037,768	2,037,768	1,090,651	(947,117)
Student and instructional support	89,971	89,971	38,754	(51,217)
Administration	76,319	76,319	129,463	53,144
Operations and maintenance	55,617	55,617	64,575	8,958
Total expenditures	2,259,675	2,259,675	1,323,443	(936,232)
Revenues over (under) expenditures	(2,259,675)	(2,259,675)	(1,300,922)	958,753
Other financing sources (uses):				
Transfers in	2,259,675	2,259,675	1,468,767	(790,908)
Total other financing sources (uses)	2,259,675	2,259,675	1,468,767	(790,908)
Revenues and other financing sources over (under) expenditures and other uses	-	-	167,845	167,845
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ 167,845	\$ 167,845

Financial Section

**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, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Intergovernmental - Federal	\$ 665,000	\$ 665,000	\$ 533,412	\$ (131,588)
Charges for services	-	-	2,728,624	2,728,624
Other	2,850,000	2,850,000	10,959	(2,839,041)
Total revenues	3,515,000	3,515,000	3,272,995	(242,005)
Expenditures:				
Current:				
Student and instruction support	4,822,071	4,822,071	3,582,161	(1,239,910)
Total expenditures	4,822,071	4,822,071	3,582,161	(1,239,910)
Revenues over (under) expenditures	(1,307,071)	(1,307,071)	(309,166)	997,905
Fund balances at beginning of year	1,307,071	1,307,071	1,307,071	-
Fund balances at end of year	\$ -	\$ -	\$ 997,905	\$ 997,905

Financial Section

**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, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Intergovernmental - State & Local	\$ 175,000	\$ 175,000	\$ 70,197	\$ (104,803)
Intergovernmental - Federal	-	-	54,868	54,868
Other	100,000	100,000	35	(99,965)
Total revenues	275,000	275,000	125,100	(149,900)
Expenditures:				
Current:				
Student and instructional support	384,970	384,970	189,729	(195,241)
Total expenditures	384,970	384,970	189,729	(195,241)
Revenues over (under) expenditures	(109,970)	(109,970)	(64,629)	45,341
Fund balances at beginning of year	109,970	109,970	109,970	-
Fund balances at end of year	\$ -	\$ -	\$ 45,341	\$ 45,341

Financial Section

**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, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Charges for services	\$ 125,000	\$ 125,000	\$ 124,799	\$ (201)
Other	-	-	281	281
Total revenues	125,000	125,000	125,080	80
Expenditures:				
Current:				
Instruction	206,324	206,324	72,780	(133,544)
Student and instructional support	5,442	5,442	10,966	5,524
Administration	2,503	2,503	8,388	5,885
Operations and maintenance	-	-	14,477	14,477
Total expenditures	214,269	214,269	106,611	(107,658)
Revenues over (under) expenditures	(89,269)	(89,269)	18,469	107,738
Fund balances at beginning of year	241,919	241,919	241,919	-
Fund balances at end of year	<u>\$ 152,650</u>	<u>\$ 152,650</u>	<u>\$ 260,388</u>	<u>\$ 107,738</u>

Financial Section

**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, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ 359	\$ 359
Earnings on investments	-	-	3,466	3,466
Other	-	-	396	396
Total revenues	-	-	4,221	4,221
Expenditures:				
Current:				
Administration	649,484	649,484	225,534	(423,950)
Total expenditures	649,484	649,484	225,534	(423,950)
Revenues over (under) expenditures	(649,484)	(649,484)	(221,313)	428,171
Fund balances at beginning of year	649,484	649,484	649,484	-
Fund balances at end of year	\$ -	\$ -	\$ 428,171	\$ 428,171

Financial Section

**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, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Intergovernmental - State	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Current:				
Instruction	24,822,828	24,822,828	17,750,057	(7,072,771)
Student and instructional support	6,142,908	6,142,908	4,382,219	(1,760,689)
Administration	3,439,746	3,439,746	2,503,335	(936,411)
Operations and maintenance	4,141,862	4,141,862	2,449,068	(1,692,794)
Transportation	78,078	78,078	53,062	(25,016)
Nutrition services	721,306	721,306	443,769	(277,537)
Total expenditures	39,346,728	39,346,728	27,581,510	(11,765,218)
Revenues over (under) expenditures	(39,346,728)	(39,346,728)	(27,581,510)	11,765,218
Other financing sources (uses):				
Transfers in	39,346,728	39,346,728	27,581,510	(11,765,218)
Total other financing sources (uses)	39,346,728	39,346,728	27,581,510	(11,765,218)
Revenues and other financing sources over (under) expenditures and other uses	-	-	-	-
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
Special Assessment Fund
Year ended June 30, 2017**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	Over/ (Under)
Revenues:				
Taxes	\$ 93,073	\$ 93,073	\$ 80,187	\$ (12,886)
Total revenues	93,073	93,073	80,187	(12,886)
Expenditures:				
Current:				
Facility acquisition and construction service	1,097,473	1,097,473	416,684	(680,789)
Total expenditures	1,097,473	1,097,473	416,684	(680,789)
Revenues over (under) expenditures	(1,004,400)	(1,004,400)	(336,497)	667,903
Fund balances at beginning of year	1,004,400	1,004,400	1,004,400	-
Fund balances at end of year	\$ -	\$ -	\$ 667,903	\$ 667,903

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, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ 23,097,096	\$ 23,097,096	\$ 23,833,430	\$ 736,334
Intergovernmental - State	9,434,110	9,434,110	9,325,716	(108,394)
Earnings on investments	75,000	75,000	192,590	117,590
Sale of property	-	-	1,526,463	1,526,463
Other	300,000	300,000	210,322	(89,678)
Total revenues	32,906,206	32,906,206	35,088,521	2,182,315
Expenditures:				
Current:				
Instruction	6,658,500	6,658,500	4,453,569	(2,204,931)
Student and instructional support	220,000	220,000	1,109,577	889,577
Operations and maintenance	8,366,097	8,366,097	7,246,382	(1,119,715)
Facility acquisition and construction service	23,922,462	23,922,462	14,741,855	(9,180,607)
Total expenditures	39,167,059	39,167,059	27,551,383	(11,615,676)
Revenues over (under) expenditures	(6,260,853)	(6,260,853)	7,537,138	13,797,991
Other financing sources (uses):				
Transfers in	-	-	4,273,658	4,273,658
Total other financing sources (uses)	-	-	4,273,658	4,273,658
Revenues and other financing sources over (under) expenditures and other uses	(6,260,853)	(6,260,853)	11,810,796	18,071,649
Fund balances at beginning of year	9,915,284	9,915,284	9,915,284	-
Fund balances at end of year	\$ 3,654,431	\$ 3,654,431	\$ 21,726,080	\$ 18,071,649

Financial Section

**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, 2017**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Over/ (Under)
	Original	Final		
Revenues:				
Taxes	\$ 25,797,182	\$ 25,797,182	\$ 26,806,608	\$ 1,009,426
Intergovernmental - State	17,591,384	17,591,384	17,592,428	1,044
Interest expense subsidy - Federal	4,420,956	4,420,956	4,418,584	(2,372)
Total revenues	47,809,522	47,809,522	48,817,620	1,008,098
Expenditures:				
Current:				
Principal/Interest on long-term debt	44,501,376	44,501,376	44,401,373	(100,003)
Total expenditures	44,501,376	44,501,376	44,401,373	(100,003)
Revenues over (under) expenditures	3,308,146	3,308,146	4,416,247	1,108,101
Fund balances at beginning of year	33,503,169	33,503,169	33,503,169	-
Fund balances at end of year	\$ 36,811,315	\$ 36,811,315	\$ 37,919,416	\$ 1,108,101



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:

Healthcare – 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.

Financial Section

**Wichita Public Schools
Unified School District No. 259
Combining Schedule of Net Position
Internal Service Funds
June 30, 2017**

	Healthcare	Disability Reserve	Workers' Compensation	Risk Management	Total
Assets:					
Current assets:					
Cash and cash equivalents	\$ 22,292,003	\$ 3,557,260	\$ 11,415,188	\$ 2,400,578	\$ 39,665,029
Total current assets	22,292,003	3,557,260	11,415,188	2,400,578	39,665,029
Liabilities:					
Current liabilities:					
Accrued liabilities	16,347	13	224,493	16,688	257,541
Current portion - claims payable	6,111,820	91,000	2,479,659	-	8,682,479
Total current liabilities	6,128,167	91,013	2,704,152	16,688	8,940,020
Noncurrent liabilities:					
Long-term claims payable	-	-	4,418,994	-	4,418,994
Total liabilities	6,128,167	91,013	7,123,146	16,688	13,359,014
Net Position:					
Total net position restricted for self-insurance claims	\$ 16,163,836	\$ 3,466,247	\$ 4,292,042	\$ 2,383,890	\$ 26,306,015

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, 2017**

	Healthcare	Disability Reserve	Workers' Compensation	Risk Management	Total
Operating revenues:					
Charges for services	\$ 62,782,985	\$ 1,001,339	\$ 1,679,332	\$ 190,856	\$ 65,654,512
Other insurance reimbursements	-	-	-	3,857	3,857
Total operating revenues	62,782,985	1,001,339	1,679,332	194,713	65,658,369
Operating expenses:					
Contractual services	56,355,823	1,091,418	1,318,963	1,590,691	60,356,895
Total operating expenses	56,355,823	1,091,418	1,318,963	1,590,691	60,356,895
Operating income (loss)	6,427,162	(90,079)	360,369	(1,395,978)	5,301,474
Nonoperating revenues:					
Interest	33,841	20,198	89,904	20,527	164,470
Total nonoperating revenue	33,841	20,198	89,904	20,527	164,470
Income (loss) before transfers	6,461,003	(69,881)	450,273	(1,375,451)	5,465,944
Transfers in	5,000,000	-	-	900,000	5,900,000
Transfers out	-	-	(5,000,000)	-	(5,000,000)
Change in net position	11,461,003	(69,881)	(4,549,727)	(475,451)	6,365,944
Total net position-beginning of year	4,702,833	3,536,128	8,841,769	2,859,341	19,940,071
Total net position-end of year	\$ 16,163,836	\$ 3,466,247	\$ 4,292,042	\$ 2,383,890	\$ 26,306,015

Financial Section

Wichita Public Schools Unified School District No. 259 Combining Schedule of Cash Flows Internal Service Funds Year ended June 30, 2017

	Healthcare	Disability Reserve	Workers' Compensation	Risk Management	Total
Cash flows from operating activities:					
Cash received for services	\$ 62,782,985	\$ 1,001,339	\$ 1,679,332	\$ 190,856	\$ 65,654,512
Cash received from insurance companies	-	-	-	3,857	3,857
Cash payments for claims	(57,302,564)	(1,090,494)	(1,379,055)	(1,641,079)	(61,413,192)
Net cash flow from operating activities	5,480,421	(89,155)	300,277	(1,446,366)	4,245,177
Cash flows from non-capital financing activities:					
Transfers from other funds	5,000,000	-	-	900,000	5,900,000
Transfers to other funds	-	-	(5,000,000)	-	(5,000,000)
Net cash flow from non-capital financing activities	5,000,000	-	(5,000,000)	900,000	900,000
Cash flows from investing activities:					
Interest on investments	33,841	20,198	89,904	20,527	164,470
Net cash flow from investing activities	33,841	20,198	89,904	20,527	164,470
Change in cash and cash equivalents	10,514,262	(68,957)	(4,609,819)	(525,839)	5,309,647
Cash and cash equivalents-beginning of the year	11,777,741	3,626,217	16,025,007	2,926,417	34,355,382
Cash and cash equivalents-end of the year	\$ 22,292,003	\$ 3,557,260	\$ 11,415,188	\$ 2,400,578	\$ 39,665,029
Reconciliation of operating income (loss) to net cash flow from operating activities:					
Operating income (loss)	\$ 6,427,162	\$ (90,079)	\$ 360,369	\$ (1,395,978)	\$ 5,301,474
Adjustments to reconcile operating income (loss) to net cash flow from operating activities:					
Change in accrued liabilities	(87,308)	(8,076)	67,890	(50,388)	(77,882)
Change in claims payable	(859,433)	9,000	(127,982)	-	(978,415)
Net cash flow from operating activities	\$ 5,480,421	\$ (89,155)	\$ 300,277	\$ (1,446,366)	\$ 4,245,177



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.

Financial Section

**Wichita Public Schools
Unified School District No. 259
Combining Schedule of Fiduciary Net Position
Fiduciary Funds - Employee Benefit Trust Funds
June 30, 2017**

	Early Retirement Incentive Plan Trust	Retiree Benefit Trust	Total
Assets:			
Cash	\$ 1,029,530	\$ 213,425	\$ 1,242,955
Certificates of deposit	14,700,000	-	14,700,000
Investments	992,472	-	992,472
Interest receivable	52,313	-	52,313
Total assets	16,774,315	213,425	16,987,740
Liabilities:			
Due to others	-	-	-
Total liabilities	-	-	-
Net Position:			
Held in trust for other employee benefits	16,774,315	213,425	16,987,740
Total net position	\$ 16,774,315	\$ 213,425	\$ 16,987,740

Financial Section

**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, 2017**

	Early Retirement Incentive Plan Trust	Retiree Benefit Trust	Total
Additions:			
Employer contributions	\$ 15,623,623	\$ -	\$ 15,623,623
Interest income	21,945	(10,925)	11,020
Total additions	<u>15,645,568</u>	<u>(10,925)</u>	<u>15,634,643</u>
Deductions:			
Benefits	14,851,901	5,293,562	20,145,463
Administration	-	183,042	183,042
Total deductions	<u>14,851,901</u>	<u>5,476,604</u>	<u>20,328,505</u>
Change in net position	793,667	(5,487,529)	(4,693,862)
Net position - beginning of year	<u>15,980,648</u>	<u>5,700,954</u>	<u>21,681,602</u>
Net position - end of year	<u>\$ 16,774,315</u>	<u>\$ 213,425</u>	<u>\$ 16,987,740</u>

Financial Section

**Wichita Public Schools
Unified School District No. 259
Combining Schedule of Fiduciary Assets and Liabilities
Fiduciary Funds - Agency Funds
June 30, 2017**

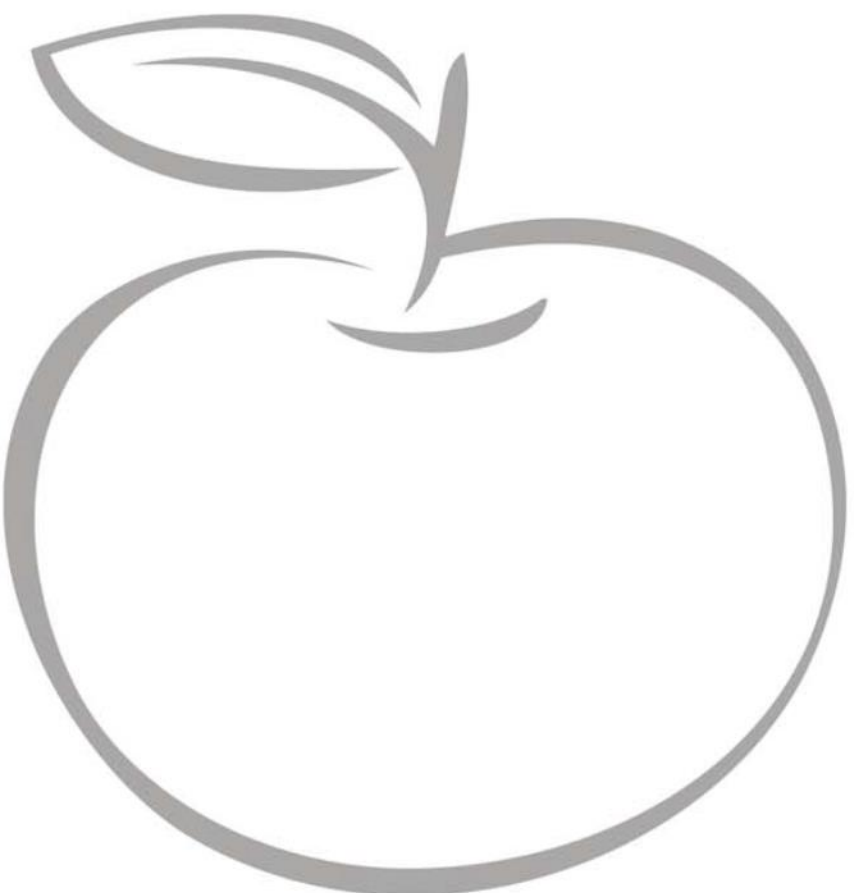
	<u>Agency Funds</u>			
	Student Activity Funds	Payroll Trust Fund	Flexible Spending	Total Agency Funds
Assets				
Cash and cash equivalents	\$ 3,834,649	\$ 1,173,410	\$ (294,426)	\$ 4,713,633
Total assets	<u>\$ 3,834,649</u>	<u>\$ 1,173,410</u>	<u>\$ (294,426)</u>	<u>\$ 4,713,633</u>
Liabilities				
Due to others	\$ 3,834,649	\$ 1,173,410	\$ (294,426)	\$ 4,713,633
Total liabilities	<u>\$ 3,834,649</u>	<u>\$ 1,173,410</u>	<u>\$ (294,426)</u>	<u>\$ 4,713,633</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, 2017**

	Balance, June 30 2016	Additions	Deletions	Balance, June 30 2017
Totals - All Agency Funds				
Assets				
Cash and cash equivalents	\$ 4,327,692	\$ 144,597,712	\$ 144,211,771	\$ 4,713,633
Total assets	\$ 4,327,692	\$ 144,597,712	\$ 144,211,771	\$ 4,713,633
Liabilities				
Due to others	\$ 4,327,692	\$ 144,597,712	\$ 144,211,771	\$ 4,713,633
Total liabilities	\$ 4,327,692	\$ 144,597,712	\$ 144,211,771	\$ 4,713,633
Student Activity Funds				
Assets				
Cash and cash equivalents	\$ 3,831,536	\$ 11,896,125	\$ 11,893,012	\$ 3,834,649
Total assets	\$ 3,831,536	\$ 11,896,125	\$ 11,893,012	\$ 3,834,649
Liabilities				
Due to others	\$ 3,831,536	\$ 11,896,125	\$ 11,893,012	\$ 3,834,649
Total liabilities	\$ 3,831,536	\$ 11,896,125	\$ 11,893,012	\$ 3,834,649
Payroll Trust Fund				
Assets				
Cash and cash equivalents	\$ 890,474	\$ 129,249,020	\$ 128,966,084	\$ 1,173,410
Total assets	\$ 890,474	\$ 129,249,020	\$ 128,966,084	\$ 1,173,410
Liabilities				
Due to others	\$ 890,474	\$ 129,249,020	\$ 128,966,084	\$ 1,173,410
Total liabilities	\$ 890,474	\$ 129,249,020	\$ 128,966,084	\$ 1,173,410
Flexible Spending Fund				
Assets				
Cash and cash equivalents	\$ (394,318)	\$ 3,452,567	\$ 3,352,675	\$ (294,426)
Total assets	\$ (394,318)	\$ 3,452,567	\$ 3,352,675	\$ (294,426)
Liabilities				
Due to others	\$ (394,318)	\$ 3,452,567	\$ 3,352,675	\$ (294,426)
Total liabilities	\$ (394,318)	\$ 3,452,567	\$ 3,352,675	\$ (294,426)

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.	104
Revenue Capacity	
These schedules contain information to help the reader assess the District's financially significant local revenue source, the property tax.	110
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.	114
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.	118
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.	121

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)

		2008	2009	2010	2011
Revenues:					
Taxes	(5)	\$ 138,635,857	\$ 142,769,888	\$ 149,855,266	\$ 148,191,597
Intergovernmental - State	(5)	344,323,411	361,839,622	320,824,377	334,143,207
Intergovernmental - Federal		57,235,874	58,799,705	96,757,118	99,248,416
Interest expense subsidy - Federal	(2)	-	-	2,435,821	4,888,103
Charges for services		5,561,626	6,492,556	5,890,320	5,173,988
Earnings on investments	(3)	10,380,375	5,701,943	2,566,359	2,511,719
Other		3,763,512	2,763,531	2,397,458	4,268,316
Contributions		1,217,199	972,267	856,818	653,523
Total revenues		561,117,854	579,339,512	581,583,537	599,078,869
Expenditures:					
Current:					
Instruction		287,752,823	291,195,270	290,231,979	301,439,506
Student and instructional support		74,075,547	79,389,067	76,125,699	71,632,655
Administration		37,197,292	42,609,103	41,568,245	45,409,783
Operations and maintenance		65,557,633	70,351,157	61,571,070	60,773,798
Student transportation service		20,095,468	21,509,033	26,958,550	25,105,244
Nutrition services		17,424,261	19,342,146	18,974,782	18,612,253
Sub-total current expenditures		502,103,024	524,395,776	515,430,325	522,973,239
Facility acquisition and construction service	(6)	33,939,625	31,360,422	43,723,073	127,522,666
Debt Service:					
Principal retirement	(4)	12,264,999	13,075,000	13,955,000	20,110,000
Interest		13,211,519	12,907,387	21,802,132	26,852,512
Other		-	-	887,791	1,075,953
Total expenditures		561,519,167	581,738,585	595,798,321	698,534,370
Excess (deficiency) of revenues over (under) expenditures		(401,313)	(2,399,073)	(14,214,784)	(99,455,501)
Other financing sources (uses):					
Bond issuance	(1)	-	191,260,000	141,800,000	-
Refunding bond issuance		-	-	-	39,960,000
Premium on bond issuance	(1)	-	5,336,620	1,193,154	4,557,196
Discount on bond issuance	(1)	-	(29,083)	-	-
Payment to refunded bond escrow	(1)	-	(3,000,000)	(9,285,000)	(76,180,000)
Premiums on bonds sold		-	-	-	-
Sale of property		-	-	427,431	268,111
Transfers in		161,735,935	182,742,671	178,170,320	45,048,382
Transfers out		(161,867,852)	(182,874,588)	(181,794,428)	(45,180,299)
Total other financing sources (uses)		(131,917)	193,435,620	130,511,477	(31,526,610)
Net change in fund balances		(533,230)	191,036,547	116,296,693	(130,982,111)
Fund balances at beginning of year		219,457,827	218,586,019	409,711,044	525,706,249
Change in reserve for inventory		(338,577)	88,478	(301,488)	75,365
Fund balances at end of year		\$ 218,586,020	\$ 409,711,044	\$ 525,706,249	\$ 394,799,503

Ratio of total debt service expenditures to noncapital expenditures.	4.79%	4.60%	6.47%	8.17%
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- (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 32.48% in FY 2014, and there have been minor adjustments to the rate in each subsequent calendar year.
- (3) Decreases in investment earnings beginning in FY 2009 were 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 2017 is due to increasing interest rates.
- (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).
- (5) The reduction in Taxes and increase in Intergovernmental - State in FY 2015 is due to a legislative change requiring counties to remit school districts' General Fund taxes to the State of Kansas. The taxes are then distributed to districts as state aid.
- (6) The reduction in facility acquisition and construction service in FY 2017 is a result of the final construction projects related to the 2008 bond election nearing completion.

Statistical Section

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

	2012	2013	2014	2015	2016	2017
\$	152,246,674	\$ 151,694,016	\$ 152,072,266	\$ 100,385,117	\$ 105,863,014	\$ 101,669,993
	340,963,641	362,539,736	374,108,949	433,219,516	428,761,535	440,023,206
	74,047,748	72,517,008	73,167,160	77,701,708	72,386,604	74,265,294
	4,743,515	4,743,515	4,366,406	4,399,610	4,409,097	4,418,584
	5,315,600	5,295,618	7,672,429	8,412,812	9,139,660	8,424,528
	874,998	208,885	351,946	228,736	305,599	762,995
	1,331,039	1,598,306	1,114,157	1,223,057	812,279	2,026,116
	1,110,602	1,679,427	932,121	1,012,126	553,954	624,528
	580,633,817	600,276,511	613,785,434	626,582,682	622,231,742	632,215,244
	291,958,123	304,831,401	317,047,741	322,726,073	310,551,641	315,814,269
	68,401,079	71,916,610	74,194,422	80,675,328	76,344,338	77,042,938
	38,273,012	40,049,966	41,632,066	42,353,120	40,560,037	40,907,185
	65,790,223	71,311,684	79,911,405	70,759,974	73,930,068	70,751,088
	27,369,629	26,645,532	28,767,496	27,114,304	26,407,376	23,321,254
	20,656,227	23,337,086	23,198,725	26,431,099	24,864,536	23,313,630
	512,448,293	538,092,279	564,751,855	570,059,898	552,657,996	551,150,364
	133,472,994	71,273,321	44,096,432	71,362,132	59,998,942	24,110,829
	17,830,000	42,595,000	17,215,000	19,450,000	20,775,000	21,915,000
	23,386,402	22,084,519	22,387,746	22,617,759	21,378,841	20,486,373
	-	190,630	426,671	-	194,813	-
	687,137,689	674,235,749	648,877,704	683,489,789	655,005,592	617,662,566
	(106,503,872)	(73,959,238)	(35,092,270)	(56,907,107)	(32,773,850)	14,552,678
	-	22,930,000	48,760,000	-	-	-
	-	-	580,000	-	39,400,000	-
	-	3,170,002	6,179,106	-	4,610,992	-
	-	-	-	-	-	-
	(37,790,000)	-	(592,979)	-	(42,433,450)	-
	-	-	-	-	-	-
	350,877	1,716,015	1,319,650	1,648,681	534,492	1,526,463
	62,519,291	58,629,955	59,978,723	61,255,205	45,627,872	45,098,046
	(62,651,208)	(63,139,942)	(60,110,640)	(61,655,205)	(46,027,872)	(45,998,046)
	(37,571,040)	23,306,030	56,113,860	1,248,681	1,712,034	626,463
	(144,074,912)	(50,653,208)	21,021,590	(55,658,426)	(31,061,816)	15,179,141
	394,799,503	250,382,283	200,125,823	221,591,556	165,266,866	134,272,564
	(342,308)	396,748	444,143	(666,264)	67,514	267,229
\$	250,382,283	\$ 200,125,823	\$ 221,591,556	\$ 165,266,866	\$ 134,272,564	\$ 149,718,934
	7.40%	11.10%	6.71%	6.93%	7.23%	7.19%
		(4)				

**FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years**

Fiscal Year

	2008	2009	2010	2011 (2)	2012	2013	2014	2015	2016	2017
General Fund										
Reserved	\$ 4,564,166	\$ 3,372,025	\$ 3,034,222	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	128,190	8,597	49,253	-	-	-	-	-	-	-
Nonspendable	-	-	-	1,304,348	1,060,873	935,247	1,027,783	955,551	1,069,429	1,096,668
(5) Restricted	-	-	-	1,864,289	2,990,924	1,527,850	984,780	1,605,846	882,256	836,518
(6) (7) Assigned	-	-	-	15,440,778	13,265,618	13,757,749	6,687,905	5,629,716	18,229,240	18,870,149
Unassigned	-	-	-	16,836,650	19,267,946	17,346,150	20,329,041	18,000,521	18,926,266	19,839,442
Total general fund	4,692,356	3,380,622	3,083,475	35,446,065	36,585,361	33,566,996	29,029,509	26,191,634	39,107,191	40,642,777
All Other Governmental Funds										
Reserved	\$ 99,579,568	\$ 104,724,314	\$ 138,469,242	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	56,852,402	59,097,752	61,985,141	-	-	-	-	-	-	-
Capital projects funds	35,605,271	215,643,501	292,076,658	-	-	-	-	-	-	-
Debt service funds	21,856,423	26,864,855	30,091,733	-	-	-	-	-	-	-
Nonspendable	-	-	-	829,014	730,181	1,252,555	1,604,162	1,010,131	963,767	1,203,757
Restricted, reported in:										
Special revenue funds	-	-	-	47,292,756	46,728,832	40,690,923	35,374,191	34,992,966	28,954,451	30,367,496
(7) Capital projects funds	-	-	-	247,089,000	139,146,479	93,606,826	123,467,411	66,507,674	24,702,409	29,569,695
(3) Debt service funds	-	-	-	64,142,668	27,191,430	31,008,523	32,116,572	36,564,585	41,504,964	47,935,209
(4) Unassigned, reported in:										
Special revenue funds	-	-	-	-	-	-	(289)	(124)	(960,218)	-
Total all other governmental funds	213,893,664	406,330,422	522,622,774	359,353,438	213,796,922	166,558,827	192,562,047	139,075,232	95,165,373	109,076,157
Total Fund Balances	\$ 218,586,020	\$ 409,711,044	\$ 525,706,249	\$ 394,799,503	\$ 250,382,283	\$ 200,125,823	\$ 221,591,556	\$ 165,266,866	\$ 134,272,564	\$ 149,718,934

(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.

(3) Decreases in FY 2012, FY 2013, FY 2015, and FY 2016 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.

(7) Due to the legislature's implementation of Block Grant funding for FY 2016 and FY 2017, several funds no longer meet the requirements to be special revenue funds and are now combined with the General Fund.

SCHEDULE OF CHANGES IN NET POSITION
Last Ten Fiscal Years

Fiscal Year

	2008	2009	2010 (3)	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental activities:										
Instruction	(1) \$ 302,662,754	\$ 311,741,071	\$ 304,175,635	\$ 324,059,324	\$ 304,492,992	\$ 310,436,796	\$ 346,685,399	\$ 361,233,411	\$ 346,455,686	\$ 342,630,958
Student and instructional support	74,397,253	80,905,216	75,254,586	72,600,464	66,154,324	70,466,957	75,391,283	82,846,535	78,375,866	77,043,654
Administration	37,438,148	43,170,671	41,377,798	42,705,447	36,896,438	39,567,265	42,055,747	43,939,152	42,201,508	41,034,130
Operations and maintenance	66,225,149	72,110,571	66,482,872	65,617,612	65,131,662	69,226,727	82,520,406	74,032,676	74,830,191	71,650,829
Student transportation services	20,280,150	22,040,131	26,574,028	25,302,589	27,485,148	26,044,801	29,159,038	27,097,070	26,386,173	23,224,462
Nutrition services	17,608,651	19,661,902	19,199,980	18,782,975	20,661,401	20,636,334	20,958,861	26,918,661	24,014,679	23,173,184
Interest on long-term debt	12,305,156	12,530,101	22,752,909	24,252,596	21,162,287	19,928,885	20,303,288	19,803,124	18,364,528	17,705,215
Total primary government expenses	\$ 530,917,261	\$ 562,199,663	\$ 555,817,808	\$ 573,321,007	\$ 541,984,252	\$ 556,307,765	\$ 617,074,002	\$ 635,870,629	\$ 610,628,631	\$ 596,462,432
Program Revenues										
Governmental activities:										
Charges for services										
Instruction	(6) \$ 1,696,780	\$ 2,481,255	\$ 2,216,342	\$ 1,964,420	\$ 2,060,864	\$ 1,993,694	\$ 7,138,221	\$ 5,033,829	\$ 5,666,170	\$ 4,885,971
Student and instructional support	69,216	75,060	108,982	82,619	37,294	108,400	78	21,821	130,760	272,037
Operations and maintenance	-	-	-	-	-	-	-	-	4,320	4,755
Nutrition services	3,795,630	3,936,241	3,564,996	3,126,797	3,217,442	3,193,524	3,281,889	3,352,842	3,337,975	3,266,520
Operating grants and contributions	(2) (10) 131,716,012	132,872,905	261,912,962	270,853,079	245,991,467	249,460,514	256,161,515	268,015,891	172,972,436	178,029,107
Capital grants and contributions	(5) -	218,597	-	-	6,487,575	4,145,271	1,211,708	1,673,980	87,111	37,121
Total primary government program revenues	\$ 137,277,638	\$ 139,584,058	\$ 267,803,282	\$ 276,026,915	\$ 257,794,642	\$ 258,901,403	\$ 267,793,411	\$ 278,102,683	\$ 182,199,207	\$ 186,490,756
Net (Expense)/Revenue										
Total primary government net expense	\$ (393,639,623)	\$ (422,575,605)	\$ (288,014,526)	\$ (297,294,092)	\$ (284,189,610)	\$ (297,406,362)	\$ (349,280,591)	\$ (357,767,946)	\$ (428,429,424)	\$ (409,971,676)
General Revenue and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes levied for general purposes	(9) \$ 101,568,385	\$ 104,914,577	\$ 103,899,233	\$ 102,754,794	\$ 107,584,069	\$ 110,710,176	\$ 116,349,986	\$ 51,355,634	\$ 56,558,311	\$ 51,029,955
Property taxes levied for debt service	16,996,667	17,328,543	25,692,971	25,678,590	27,004,292	27,056,492	22,963,346	27,438,403	27,161,300	26,806,608
Property taxes levied for capital outlay	20,070,805	20,528,768	20,263,062	19,758,213	17,678,313	13,927,348	12,758,934	21,591,080	22,143,403	23,833,430
State and federal aid not restricted to specific purposes	(9) (10) 271,060,471	288,520,092	158,961,172	168,080,171	168,235,282	181,557,719	188,824,383	240,108,713	325,453,330	332,270,972
State aid received for debt service (principal)	-	-	-	-	4,814,100	5,608,500	6,023,100	7,196,500	8,102,250	9,642,600
State aid for nonemployer pension contributions	(11) -	-	-	-	-	-	-	-	-	66,165,270
Earnings on investments	(7) 11,069,066	5,950,637	2,629,093	2,598,057	919,021	279,178	397,061	274,584	372,350	927,465
Sale of property	-	519,592	427,431	-	-	-	-	-	-	-
Miscellaneous	3,803,513	2,243,939	2,397,458	4,268,466	1,331,039	1,598,306	1,114,160	1,746,413	1,345,377	3,527,578
Total primary government general revenue	\$ 424,568,907	\$ 440,004,148	\$ 314,270,420	\$ 323,138,291	\$ 327,546,116	\$ 340,737,719	\$ 348,430,970	\$ 349,711,327	\$ 441,136,321	\$ 514,203,878
Change in Net Position										
Total primary government	\$ 30,929,284	\$ 17,428,543	\$ 26,255,894	\$ 25,844,199	\$ 43,356,506	\$ 43,331,357	\$ (849,621)	\$ (8,056,619)	\$ 12,706,897	\$ 104,232,202

- (1) FY 2010 and FY 2012 reductions are due to State aid cuts. FY 2011 increase is due to Federal funds.
- (2) 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.
- (3) 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.
- (4) The increase in 2010 is due to additional bond issuances.
- (5) Amounts shown are primarily attributable to FEMA funding of storm shelters. FY 2013 through FY 2016 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. FY 2016 and FY 2017 decreased due to construction of fewer storm shelters and clinics.
- (6) 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 Larchkey fees are handled.
- (7) 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 2017 is due to increasing interest rates.
- (8) 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 property taxes levied for general purposes and increase in state and federal aid not restricted to specific purposes is due to a legislative change requiring counties to remit school districts' General Fund taxes to the State of Kansas. The taxes are then distributed to districts as state aid.
- (10) Due to the legislature's implementation of Block Grant funding for FY 2016, state aid that was previously designated for specific purposes and included in Operating grants and contributions is no longer restricted to those purposes. It is therefore now included in State and federal aid not restricted to specific purposes.
- (11) The state aid received in FY 2017 is the District's proportionate share of a one-time bond issue by the State of Kansas in which the proceeds were deposited to the Kansas Public Employees Retirement System (KPRS) to reduce the unfunded actuarial pension liability.

NET POSITION BY COMPONENT
Last Ten Fiscal Years

		Fiscal Year									
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities:											
Net Investment in Capital Assets		(1) \$ 187,115,043	\$ 196,865,922	\$ 217,714,525	\$ 243,866,687	\$ 264,879,340	\$ 312,942,740	\$ 334,998,662	\$ 355,521,886	\$ 379,706,034	\$ 401,755,601
Restricted for:											
Instruction and Support Services		(8) (4)	-	15,697,614	15,930,095	13,881,209	11,911,677	9,823,734	10,428,626	3,666,331	3,276,706
Facilities and Capital Projects		(4) (2)	45,950,586	42,982,926	39,494,516	35,472,632	32,701,407	31,760,044	22,162,727	22,077,676	28,749,877
Debt Service		(3)	17,740,086	22,024,806	23,372,779	20,876,849	22,492,365	23,254,437	25,973,964	29,282,262	34,005,690
Self-Insurance Claims		(7)	21,335,065	35,507,219	43,074,689	37,992,028	41,601,378	41,545,589	29,107,028	19,940,071	26,306,015
Special Education		(6)	6,133,161	4,760,509	3,555,567	3,370,405	12,472,770	6,028,150	7,246,306	8,104,950	8,798,754
Nutrition Services			7,752,836	7,991,437	9,407,307	10,284,378	12,093,756	12,905,249	12,032,973	13,405,797	14,884,301
Federal and State Grant Programs			4,169,193	3,708,684	2,288,903	1,823,584	2,180,807	948,423	1,572,155	882,256	836,518
Other		(4)	3,830,003	4,053,911	-	-	-	-	-	-	-
Unrestricted		(5)	(9,061,299)	(17,984,535)	(29,445,199)	(7,224,441)	(10,164,684)	(23,225,389)	(511,492,309)	(511,805,124)	(462,785,270)
Total Primary Government Net Position			\$ 284,964,674	\$ 302,393,217	\$ 328,649,111	\$ 354,493,310	\$ 397,849,816	\$ 438,888,520	\$ 474,446,644	\$ 34,739,747	\$ 55,828,192

(1) Increases in 2009-2017 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. In FY 2015, State equalization was reinstated and the capital outlay mill levy was increased to 8 mills. This allowed increased spending on such things as bond projects and maintenance work that had previously been delayed, resulting in a large decrease in cash and restricted net position. In FY 2017, spending was purposely reduced to build cash in order to eliminate cash flow issues in the first half of each year before taxes and state aid are received. This resulted in an increase to the restricted net position.

(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. The Board again levied a tax in the Special Assessments Fund for one year in FY 2017 to pay the future special assessments related to a newly-constructed high school.

(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. The decrease in FY 2015 is due to implementation of GASB Statement No. 68, requiring the District to record its proportionate share of the Kansas Public Employees Retirement System (KPERS) collective net pension liability. In FY 2017, the majority of the increase is due to the net difference between the increase in the Net OPEB Liability related to implementation of GASB 74 and 75 and the decrease in the Net Pension Liability related to recording the District's proportionate share of the one-time bond issue by the State of Kansas in which the proceeds were deposited to KPERS.

(6) The increase in FY 2012 is due primarily to reduced liabilities as a result of funding retiree obligations in an irrevocable trust.

(7) The decrease in FY 2015 and FY 2016 are due to a substantial increase in health claims that drew down reserves. Due to depletion of health plan reserves, in mid-FY 2017 substantial plan changes were made, increasing reserves and restricted net position.

(8) Reduction in FY 2016 is due to the Textbook Rental Fund no longer meeting the requirements of a special revenue fund and therefore being combined with the General Fund (unrestricted).

STATE REVENUE BY SOURCE, GOVERNMENTAL FUNDS
Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues:										
Unrestricted state school aid (2) (5) (6)	\$ 195,068,882	\$ 194,862,053	\$ 155,681,924	\$ 161,195,704	\$ 166,627,015	\$ 175,658,938	\$ 183,371,138	\$ 239,116,617	\$ 332,471,214	\$ 337,943,198
Transportation aid (6)	7,619,945	7,547,320	8,149,174	8,680,691	8,520,120	8,331,530	8,412,896	8,000,604	-	-
New facilities aid	5,497,687	6,745,967	2,831,488	1,686,611	1,327,536	5,742,032	5,288,380	884,804	898,672	2,267,287
Juvenile detention centers aid	872,176	721,600	1,144,338	1,073,505	901,894	925,691	811,353	696,189	493,029	369,792
eSchool virtual education aid (1)	-	1,004,960	1,287,852	1,775,587	1,804,194	960,651	867,388	769,630	1,222,628	1,468,767
Unrestricted state grant	530,491	241,483	402,287	174,017	113,942	156,749	157,259	107,292	84,048	57,678
Special education aid	38,155,049	39,141,960	36,851,423	38,145,500	41,081,697	42,635,958	42,147,885	44,536,009	44,276,340	43,091,851
State intervention aid (3) (6)	55,346,409	67,786,840	68,579,121	69,893,955	69,194,034	72,091,073	70,684,066	70,576,256	-	-
Capital outlay aid (5)	-	-	-	-	1,126	-	-	4,525,512	-	-
Bond and interest aid	5,534,460	5,702,065	7,503,304	9,885,746	9,607,117	10,758,658	12,313,084	14,677,215	15,500,450	17,592,428
4-year-old aid (6)	3,941,734	4,105,200	3,839,235	3,763,772	3,613,680	3,669,128	3,669,129	3,682,512	-	-
Bilingual education aid (4) (6)	6,015,125	6,431,920	6,972,454	7,764,158	7,774,704	8,485,818	8,960,195	9,080,320	-	-
Latchkey aid	-	-	-	-	2,794	-	-	-	-	-
School food assistance aid	224,531	219,542	220,170	186,769	268,064	285,169	254,700	257,271	256,362	241,267
Parents as teachers aid	534,037	504,419	510,130	505,311	158,388	328,742	467,251	403,507	338,043	60,761
Vocational education aid (6)	3,528,068	3,352,800	3,047,114	2,970,073	2,823,661	3,015,406	3,079,029	3,049,563	35,486	22,951
KPERS contributions	20,741,982	22,980,806	23,560,267	26,198,202	27,143,675	29,514,193	33,625,196	32,856,215	28,659,751	27,581,510
New teacher mentoring aid	154,200	181,300	163,950	136,010	-	-	-	-	-	-
State safety aid	187,110	63,270	80,146	107,596	-	-	-	-	-	-
Professional development aid	202,763	246,117	-	-	-	-	-	-	-	-
Total revenues	\$ 344,154,649	\$ 361,839,622	\$ 320,824,377	\$ 334,143,207	\$ 340,963,641	\$ 362,539,736	\$ 374,108,949	\$ 433,219,516	\$ 428,761,535	\$ 440,023,206

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

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

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

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

(5) Equalization state aid was reinstated in 2014-15 in the Supplemental General Fund and Capital Outlay Fund as a result of a Supreme Court ruling, but the Capital Outlay aid was cut mid-year from \$7.7 million to \$4.5 million. The Legislature's implementation of Block Grant funding in 2015-16 froze the state aid in both funds at the 2015-16 amount. As a result of another Supreme Court ruling, equalization state aid was again fully reinstated in 2016-17.

(6) Due to the Legislature's implementation of Block Grant funding for the 2015-16 and 2016-17 school years, state aid that was previously designated for specific purposes is no longer restricted to those purposes and is therefore included in Unrestricted State School Aid.

**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
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
2014	14-15	\$ 2,363,882,922	\$ 15,795,672,110	\$ 144,331,904	\$ 599,459,826	\$ 88,129,325	\$ 267,058,561
2015	15-16	\$ 2,389,405,788	\$ 15,957,165,606	\$ 135,024,371	\$ 558,138,612	\$ 99,712,503	\$ 302,159,100
2016	16-17	\$ 2,441,305,088	\$ 16,327,450,771	\$ 128,095,527	\$ 530,576,891	\$ 105,798,499	\$ 320,601,512

ASSESSMENT YEAR	FISCAL YEAR	TOTAL		RATIO OF TOTAL ASSESSED TO TOTAL	
		ASSESSED VALUE	ESTIMATED ACTUAL	ESTIMATED ACTUAL	DIRECT TAX RATE
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	\$ 16,856,954,692	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
2014	14-15	\$ 2,596,344,151	\$ 16,662,190,497	15.58%	53.735
2015	15-16	\$ 2,624,142,662	\$ 16,817,463,318	15.60%	56.278
2016	16-17	\$ 2,675,199,114	\$ 17,178,629,174	15.57%	53.683

Source: Sedgwick County Clerk
(1) The State removed some personal property from the tax rolls.

Statistical Section

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

USD 259

ASSESSMENT YEAR (1)	USD 259 FISCAL YEAR	GENERAL	SUPPL. GENERAL	CAPITAL OUTLAY	BOND & INTEREST	SPECIAL ASSESSMENT (4)	TOTAL USD 259
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 ⁽⁵⁾	6.014 ⁽⁵⁾	9.454	-	57.017
2012	12-13	20.000	23.154 ⁽⁵⁾	4.534 ⁽⁵⁾	9.496	-	57.184
2013	13-14	20.000	25.200 ⁽⁶⁾	4.254 ⁽⁶⁾	7.761 ⁽⁶⁾	-	57.215
2014	14-15	20.000	16.212 ⁽⁷⁾	8.000 ⁽⁷⁾	9.523 ⁽⁷⁾	-	53.735
2015	15-16	20.000	18.498 ⁽⁸⁾	7.930	9.441	0.409	56.278
2016	16-17	20.000	16.844 ⁽⁸⁾	8.000	8.839	-	53.683

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
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
2014	14-15	30.978	32.652	45.730	64.597	33.866	40.051
2015	15-16	30.883	32.686	46.246	64.664	33.699	40.111
2016	16-17	30.893	32.625	45.726	63.637	36.727	40.224

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 2015 for the purpose of funding special assessments at the new Southeast High School.

(5) 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.

(6) 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.

(7) Due to the State of Kansas fully reinstating equalization state aid in the Supplemental General and Capital Outlay funds for FY 2015, the mill levy decreased in the Supplemental General Fund, allowing the District to increase the Capital Outlay mill levy in order to fully maximize the matching state aid in that fund. The Bond & Interest mill levy was also restored to the 2012 level as planned.

(8) In FY2016 the State of Kansas eliminated the school funding formula and replaced it with a block grant system that provided essentially the same funding as FY2015 after mid-year cuts to equalization state aid. An increase to the Supplemental General mill levy was necessary to avoid losing additional state aid. In FY 2017, as a result of a Supreme Court ruling, equalization state aid was again reinstated, resulting in a decrease to the Supplemental General mill levy.

Statistical Section

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

TAXPAYER	2007			2016 (1)		
	TAXABLE ASSESSED VALUATION	Rank	PERCENT OF TOTAL ASSESSED VALUATION	TAXABLE ASSESSED VALUATION	Rank	PERCENT OF TOTAL ASSESSED VALUATION
Kansas Gas & Electric	\$ 83,426,680	1	3.28%	\$ 46,249,390	1	1.73%
Beechcraft Corp. (2)	-	-	-	42,248,322	2	1.58%
Cessna Aircraft Co.	27,223,318	6	1.07%	36,492,473	3	1.36%
Simon Property Group LP	18,422,964	8	0.73%	23,582,015	4	0.88%
City of Wichita	-	-	-	21,465,652	5	0.80%
Kansas Gas Service-A Division of Oneok	18,004,827	9	0.71%	17,872,052	6	0.67%
Southwestern Bell Telephone Co	49,371,637	3	1.94%	13,997,007	7	0.52%
Walmart/Sams	-	-	-	13,933,450	8	0.52%
Bradley Fair One LLC	-	-	-	9,224,480	9	0.34%
Wesley Medical Center LLC	34,007,132	5	1.34%	8,969,430	10	0.34%
Raytheon Aircraft Company (2)	19,971,845	7	0.79%	-	-	-
Spirit Aerosystems, Inc.	80,500,538	2	3.17%	-	-	-
The Boeing Company (3)	34,438,808	4	1.36%	-	-	-
Towne West Square LLC (4)	12,340,962	10	0.49%	-	-	-
Total	<u>\$ 377,708,711</u>		<u>14.88%</u>	<u>\$ 234,034,271</u>		<u>8.74%</u>
Total Assessed Value	\$ 2,541,139,105			\$ 2,675,199,114		

Source: Sedgwick County Clerk - Sedgwick County 2016 tax roll

(1) Data for 2017 is not available until December.

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

(3) Includes Boeing Military Airplane Company.

(4) Towne West Square LLC is now owned by Simon Property Group LP.

Statistical Section

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
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	\$ 143,226,111	\$ 134,625,675	94.00%
2014	2015 (6)	\$ 86,953,849	\$ 83,065,435	95.53%
2015	2016	\$ 94,566,618	\$ 90,573,191	95.78%
2016	2017	\$ 90,108,732	\$ 84,037,015 (5)	93.26% (5)

ASSESSMENT YEAR	COLLECTION YEAR	DELINQUENT TAX COLLECTIONS (2) (3)	TOTAL TAX COLLECTED	PERCENT OF TOTAL TAX COLLECTED TO LEVY
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	\$ 2,899,128	\$ 137,524,803	96.02%
2014	2015 (6)	\$ 2,550,002	\$ 85,615,437	98.46%
2015	2016	\$ 2,494,503	\$ 93,067,694	98.41%
2016	2017	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.

(6) Beginning in 2015, General Fund taxes are now required to be remitted directly to the State of Kansas rather than to school districts. Since collections do not include the General Fund amount, the Total Tax Levy amount has been reduced by the taxes levied in the General Fund for purposes of comparability.

Statistical Section

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
For the Year Ended June 30, 2017

GOVERNMENT UNITS	AMOUNT OF DEBT OUTSTANDING (2)	PERCENTAGE APPLICABLE TO TAXPAYERS OF USD 259	TOTAL DIRECT AND OVERLAPPING DEBT
Overlapping Debt:			
Sedgwick County	\$56,740,000	59.04% (1)	\$33,499,296
City of Wichita	622,729,962	69.47% (1)	432,610,505
City of Bel Aire	23,025,000	94.94% (1)	21,859,935
City of Eastborough	535,000	100.00% (1)	535,000
City of Kechi	5,150,000	78.39% (1)	4,037,085
City of Park City	19,411,544	73.76% (1)	14,317,955
Sub-total			\$506,859,776
Direct Debt:			
USD 259	418,557,849 (3)	100.00%	418,557,849
Total Direct and Overlapping Debt			\$925,417,625

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 and discounts.

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
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
2014	14-15	388,413	51,330	\$ 16,662,190,497	\$ 462,807,499	4.82%	\$ 1,192
2015	15-16	389,955	51,133	\$ 16,817,463,318	\$ 443,489,274	4.47%	\$ 1,137
2016	16-17	389,927	50,561	\$ 17,178,629,174	\$ 418,557,849	4.03%	\$ 1,073

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
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
2014	14-15	\$ 25,973,964	\$ 436,833,535	2.62%	\$ 1,125	\$ 8,510
2015	15-16	\$ 29,282,262	\$ 414,207,012	2.46%	\$ 1,062	\$ 8,101
2016	16-17	\$ 34,005,690	\$ 384,552,159	2.24%	\$ 986	\$ 7,606

(1) Source: U.S. Census Bureau, 2016 American Community Survey 1-Year Estimate

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

(3) Includes premiums and discounts.

LEGAL DEBT MARGIN
Last Ten Fiscal Years Ended June 30,

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Assessed Value (1)	\$2,541,139,105	\$2,647,930,183	\$2,626,923,265	\$2,630,077,764	\$2,627,697,250	\$2,588,387,766	\$2,585,856,212	\$2,596,344,151	\$2,624,142,662	\$2,675,199,114
Taxable Value of Motor Vehicles (1)	317,624,387	323,268,835	317,561,667	305,460,828	298,653,431	299,263,978	305,928,045	311,405,014	320,613,950	328,545,821
Total Assessed Valuation (2)	\$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	\$2,907,749,165	\$2,944,756,612	\$3,003,744,935
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	\$ 400,226,889	\$ 415,967,863	\$ 412,213,890	\$ 410,975,403	\$ 409,689,095	\$ 404,271,244	\$ 404,849,796	\$ 407,084,883	\$ 412,265,926	\$ 420,524,291
Plus: Additional Authority (4)	0	0	87,511,110	65,504,597	48,960,905	32,713,615	61,759,717	38,074,086	11,522,279	0
Legal Debt Limit	\$ 400,226,889	\$ 415,967,863	\$ 499,725,000	\$ 476,480,000	\$ 458,650,000	\$ 436,984,859	\$ 466,609,513	\$ 445,158,969	\$ 423,788,205	\$ 420,524,291
Amount of Outstanding Debt (5)	\$ 276,855,000	\$ 452,040,000	\$ 570,600,000	\$ 514,270,000	\$ 458,650,000	\$ 438,985,000	\$ 470,610,000	\$ 451,160,000	\$ 431,790,000	\$ 409,875,000
Less: Amount in Sinking Fund	0	0	0	0	0	2,000,141	4,000,487	6,001,031	8,001,795	10,015,793
Less: Debt Not Applicable To the Limit (Crossover Advance Refunding)	70,875,000	70,875,000	70,875,000	37,790,000	0	0	0	0	0	0
Total Debt Applicable to the Limit	\$ 205,980,000	\$ 381,165,000	\$ 499,725,000	\$ 476,480,000	\$ 458,650,000	\$ 436,984,859	\$ 466,609,513	\$ 445,158,969	\$ 423,788,205	\$ 399,859,207
Legal Debt Margin	\$ 194,246,889	\$ 34,802,863	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20,665,084
Total Debt Applicable To the Limit as a Percentage of Debt Limit	51.47%	91.63%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	95.09%

(1) Source: Sedgwick County Clerk as of December 31, 2016.

(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. By the end of FY17, all bonds under the 2008 election have been issued and the additional authority is no longer needed, as the total debt applicable to the limit is within the 14% statutory authority under K.S.A. 72-6761.

(5) As of June 30, 2017.

**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
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%
14-15	\$ 19,450,000	\$ 22,617,759	\$ 42,067,759	\$ 570,059,898	7.38%
15-16	\$ 20,775,000	\$ 21,573,654	\$ 42,348,654	\$ 552,657,996	7.66%
16-17	\$ 21,915,000	\$ 20,486,373	\$ 42,401,373	\$ 551,150,364	7.69%

(2)

Source: USD 259 Audited Financial Statements

(1) Fund included: Debt Service

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

Statistical Section

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)
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
2014	14-15	388,413	\$ 9,610,502,859	\$ 24,743	34.0	51,330
2015	15-16	389,955	\$ 9,929,034,210	\$ 25,462	34.6	51,133
2016	16-17	389,927	\$ 10,393,114,258	\$ 26,654	34.7	50,561

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	
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	6.0%
2014	14-15	\$ 9,526,700,614	5,701,334,000	775,312	767,217	5.0%
2015	15-16	\$ 9,773,059,070	5,573,792,867	802,885	797,564	5.0%
2016	16-17	\$ 9,742,597,197	5,660,981,526	800,852	797,645	4.8%

(1) Source: U.S. Census Bureau, 2016 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,

<u>Employer</u>	2007			2016		
	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.	9,400	2	2.95%	10,800	1	3.44%
Textron Aviation	-	-	-	9,500	2	3.03%
McConnell Air Force Base	-	-	-	6,808	3	2.17%
Wichita Public Schools USD #259	5,206	5	1.64%	5,583	4	1.78%
Via Christi Health	4,762	6	1.50%	4,768	5	1.52%
State of Kansas	4,029	7	1.27%	4,494	6	1.43%
Koch Industries Inc.	-	-	-	3,600	7	1.15%
City of Wichita	3,095	9	0.97%	3,121	8	0.99%
U.S. Government	5,435	4	1.71%	2,629	9	0.84%
Sedgwick County	2,753	10	0.87%	2,460	10	0.78%
Cessna Aircraft Company	10,258	1	3.22%	-	-	-
Hawker Beechcraft	6,300	3	1.98%	-	-	-
Boeing IDS Wichita	3,133	8	0.98%	-	-	-
Totals	<u>54,371</u>		<u>17.09%</u>	<u>53,763</u>		<u>17.13%</u>

Source: Sedgwick County Comprehensive Annual Financial Report

Note: MSA - Metropolitan Statistical Area

Data for 2017 is not available until December.

(1) Includes Butler, Harvey, Sedgwick, Kingman, and Sumner counties for 2016. Data for 2007 includes Sedgwick, Butler, Harvey, and Sumner counties.

MISCELLANEOUS STATISTICS
Ten-Year Comparison

Date Established as Unified School District 259 Geographical Area Form of Organization Accreditation	Kansas State Department of Education										July 1, 1965 152 square miles 7-member board	
STUDENT DATA												
Elementary school enrollment	24,348	24,926	25,290	25,355	25,476	25,915	26,243	26,359	26,459	26,343		
Middle school enrollment	9,730	9,588	9,844	9,951	10,181	10,217	10,267	10,105	10,065	10,084		
High school enrollment	12,766	12,771	12,627	12,493	12,330	12,339	12,408	12,637	12,706	12,646		
Alternative and special school enrollment (5)	1,861	1,797	2,281	2,234	2,116	2,168	2,251	2,229	1,903	1,488		
Average daily attendance	94.0%	94.3%	93.9%	94.3%	94.5%	94.1%	94.0%	94.0%	94.0%	93.5%		
Composite ACT scores	20.7	20.4	19.8	19.8	19.7	19.8	19.7	19.6	19.7	19.3		
STUDENT/TEACHER RATIOS												
Elementary school	21.0	21.0	20.8	20.6	20.4	19.8	19.7	19.0	18.6	18.7		
Middle school	13.1	13.1	13.3	13.4	14.9	14.1	16.1	14.3	14.8	15.1		
High school	21.8	21.7	21.5	15.2	17.4	17.4	18.8	18.6	18.5	19.4		
RACIAL AND ETHNIC PERCENTAGES OF STUDENTS												
African-American	20.1%	19.9%	19.5%	19.2%	18.6%	18.2%	18.3%	18.5%	18.8%	19.1%		
Asian	5.0%	5.3%	4.9%	4.8%	4.7%	4.5%	4.5%	4.5%	4.4%	4.5%		
Hispanic	22.2%	23.8%	28.1%	29.6%	31.1%	32.1%	33.1%	33.5%	33.7%	34.4%		
Native American-Indian	2.6%	2.5%	1.7%	1.6%	1.4%	1.4%	1.2%	1.3%	1.1%	1.0%		
Native Hawaiian	-	-	0.2%	0.1%	0.2%	0.2%	0.5%	0.2%	0.2%	0.3%		
Multi Racial	9.8%	10.2%	7.5%	8.0%	8.2%	8.6%	8.3%	8.0%	7.8%	7.6%		
White or other	40.3%	38.3%	38.1%	36.7%	35.8%	35.1%	34.0%	34.1%	33.9%	33.3%		
MALE/FEMALE PERCENTAGES OF STUDENTS												
Male	53.0%	51.0%	51.1%	51.2%	51.3%	51.4%	50.8%	51.0%	51.2%	51.1%		
Female	47.0%	49.0%	48.9%	48.8%	48.7%	48.6%	49.2%	49.0%	48.8%	48.9%		
EMPLOYEES												
Instruction (3)	5,545	5,619	5,652	5,680	5,511	5,568	5,711	5,848	5,774	5,828		
Instructional Support (3)	127	128	117	84	60	56	54	55	54	41		
Operations (4)	918	924	910	899	891	975	973	939	956	946		
Other Commitments/Capital Projects (4)	87	90	95	95	95	24	23	48	48	45		
Leadership (6)	22	23	23	17	18	18	18	18	13	13		
LATCHKEY CENTERS (1)	43	44	45	45	46	48	48	49	49	48		
CHILD DEVELOPMENT CENTERS (2)	10	10	10	9	9	8	8	8	7	7		

Source: Wichita Public Schools Student Records & Enrollment Services, Budgeting, Learning Services, and Career & Technical Education departments.

(1) Also known as School Age Program Centers. Latchkey centers are run by USD 259.

(2) Metro-Midtown Child Development Center closed at the end of 2009-10, and Metro-Boulevard closed in 2012-13. Metro-Meridian closed at the end of 2014-15.

(3) Decreases in 2010-11 and 2011-12 are primarily due to cuts in state and federal aid. The Curriculum Department completed a reorganization between 2015-16 and 2016-17.

(4) In 2012-2013, 71 positions were moved from Capital Projects to Operations due to the state eliminating funding for capital outlay. In 2014-2015, positions were moved from Operations to Capital Projects due to changes in Capital Outlay regulations.

(5) Due to state funding issues in 2015-16, an adult learning center was changed to a virtual format, causing enrollment to decline. Towne East Learning Center and Towne West Learning Center were also changed to a virtual format in 2016-17, again causing enrollment to decline. Additionally, enrollment declined at the Juvenile Detention Center in 2016-17.

(6) Due to budget reductions in 2015-16, 1.0 FTE was moved to Student Support Services, 3.0 FTE clerical vacancies were eliminated, and 1.0 FTE for Chief Operations Officer was eliminated.

OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Instruction										
District-Wide Enrollment	48,705	49,146	50,042	50,033	50,103	50,639	51,169	51,330	51,133	50,561
Enrollment Percentage Change from Base Year (3)	104.6%	105.5%	107.4%	107.4%	107.6%	108.7%	109.9%	110.2%	109.8%	108.5%
Bilingual Enrollment	6,079	6,574	7,309	7,850	8,181	8,686	9,080	9,560	9,550	9,846
Special Education Enrollment	7,853	7,679	7,706	7,812	7,915	7,895	7,936	7,876	7,967	7,987
At-Risk Enrollment	26,654	27,464	30,416	31,668	32,721	33,303	34,402	33,165	33,171	32,481
Days School in Session (4)	171	173	171	167	173	169	169	173	169	158
Student Attendance Percentage (1)	94.0%	94.3%	93.9%	94.2%	94.5%	94.1%	93.9%	93.9%	94.0%	93.5%
Student and Instructional Support										
Percentage of Seniors Graduating (1) (2)	79.3%	80.1%	63.1%	66.2%	74.1%	76.5%	75.1%	75.3%	73.0%	N/A
Administration										
Number of Student Suspensions	12,827	13,697	13,220	12,773	11,391	10,934	10,300	11,035	10,639	10,945
Number of Student Expulsions	139	191	141	138	92	42	20	30	26	22
Operations and Maintenance										
Number of Work Orders Completed	32,172	31,068	29,655	30,878	29,353	29,976	33,066	33,059	32,111	33,108
Transportation										
Number of Students Transported (1) (5)	19,827	19,315	19,175	18,732	18,621	17,998	18,112	17,904	18,649	17,086
Nutrition Services										
Breakfasts Served	1,516,643	1,569,190	1,565,019	1,645,664	1,827,516	1,881,998	2,008,089	2,163,871	2,228,102	2,073,034
Lunches Served	5,029,026	5,264,881	5,339,748	5,336,254	5,575,561	5,336,982	5,493,014	5,566,753	5,481,155	5,043,529

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.

(4) The school year calendar was shortened for 2016-17 due to budget constraints.

(5) The decrease for 2016-17 in the number of students who live less than 2.5 miles from school is due to re-evaluation of hazardous routes.

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

<u>Function/Program</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>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Instruction										
Elementary Schools (5)	56	56	56	56	56	54	54	54	54	54
K-8 Schools (7)	1	2	2	2	2	3	3	3	3	3
Middle Schools (2)	16	16	16	16	15	15	15	15	15	15
High Schools (3)	11	11	11	10	10	10	10	10	10	9
Alternative and Special Schools (6)	16	16	16	16	13	13	13	11	10	8
Student and Instructional Support										
Number of Computer Servers (9)	321	412	417	438	452	487	476	497	523	400
Number of Microwave Towers (10)	47	47	48	49	49	49	49	49	49	45
Number of Computers (8)	23,628	25,996	28,145	27,053	31,750	37,062	41,368	43,832	45,609	52,511
Administration										
Non-School Buildings (4)	12	12	12	12	11	10	11	13	15	15
Acres of Unimproved Land (1)	80	82	82	349	127	127	127	127	0	0
Operations and Maintenance										
Number of Operational Vehicles Maintained	230	230	245	249	258	251	253	241	256	254
Number of Heavy Equipment Maintained	106	106	106	114	114	115	115	101	94	84
Nutrition Services										
Number of Nutrition Services Vehicles Maintained	24	24	23	23	26	26	26	27	31	26

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

Source: Wichita Public Schools Facilities Division and Information Services & Technology Department.

(1) 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. In 2015-16, construction of a new school eliminated the remaining unimproved land.

(2) Blackbear Bosin Academy closed in 2011-12.

(3) Metro Midtown closed at the end of 2009-10, and Metro Meridian closed at the end of 2015-16.

(4) Carter property was sold in 2011-12. Lincoln was sold in 2012-13. Opened a Grace Med Clinic at Dodge in 2013-14. Opened Grace Medical Clinics at Cloud and Gardiner in 2014-15. Opened Grace Med Clinics at Jardine and West in 2015-16, and the adult learning center that was previously located in the Dunbar Support Center was moved into another existing facility, so Dunbar is now a non-school building. Additionally, the Alvin E. Morris Administrative Center building was sold in 2015-16.

(5) In 2012-13 Bryant, Lincoln, and Emerson closed, and Ortiz opened.

(6) Leases were not renewed for three sites in 2011-12. Judge Riddel Boys Ranch and Riverside Academy closed in 2014-15. Dunbar Support Center was moved to the non-school buildings count in 2015-16, since it is no longer utilized for instructional purposes. Towne East Learning Center and Towne West Learning Center were closed at the end of 2015-16.

(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. In 2016-17, the Information Services & Technology Department purchased more student computers than normal.

(9) There was a decrease in servers in 2016-17 due to switching to virtual servers, allowing multiple applications to use the same server.

(10) The decrease in 2016-17 is due to several sites being sold.

**TEACHER SALARY SCHEDULE
2016-2017**

Initial Placement	Step	BA			BA+			BA+			BA+			BA+			Ed. Sp. or MA+			Ed. Sp.+ 10 or MA+			Ed. Sp.+ 20 or MA+			Earned
		Degree	Hours	10 Gr.	Degree	Hours	30 Gr.	Degree	Hours	10 Gr.	Degree	Hours	20 Gr.	Degree	Hours	30 Gr.	Degree	Hours	40 Gr.	Degree	Hours	50 Gr.	Degree	Hours	60 Gr.	
0	2	\$	39,146	\$	39,680	\$	40,215	\$	40,750	\$	41,586	\$	42,121	\$	42,655	\$	43,190	\$	43,724	\$	44,259	\$	44,794	\$	45,328	
1	3	\$	40,086	\$	40,621	\$	41,156	\$	41,690	\$	42,828	\$	43,363	\$	43,898	\$	44,432	\$	44,967	\$	45,501	\$	46,036	\$	46,571	
2	4	\$	41,027	\$	41,562	\$	42,096	\$	42,631	\$	44,071	\$	44,605	\$	45,140	\$	45,675	\$	46,209	\$	46,744	\$	47,278	\$	47,813	
3	5	\$	41,968	\$	42,502	\$	43,037	\$	43,571	\$	45,313	\$	45,848	\$	46,382	\$	46,917	\$	47,452	\$	47,986	\$	48,521	\$	49,055	
4	6	\$	42,908	\$	43,443	\$	43,977	\$	44,512	\$	46,556	\$	47,090	\$	47,625	\$	48,159	\$	48,694	\$	49,229	\$	49,763	\$	50,298	
5	7	\$	43,849	\$	44,383	\$	44,918	\$	45,453	\$	47,798	\$	48,333	\$	48,867	\$	49,402	\$	49,936	\$	50,471	\$	51,006	\$	51,540	
6	8	\$	44,789	\$	45,324	\$	45,859	\$	46,393	\$	49,041	\$	49,575	\$	50,110	\$	50,644	\$	51,179	\$	51,713	\$	52,248	\$	52,783	
7	9	\$	45,730	\$	46,265	\$	46,799	\$	47,334	\$	50,283	\$	50,818	\$	51,352	\$	51,887	\$	52,421	\$	52,956	\$	53,490	\$	54,025	
8	10	\$	47,205	\$	47,740	\$	48,274	\$	48,808	\$	51,525	\$	52,060	\$	52,595	\$	53,129	\$	53,664	\$	54,198	\$	54,733	\$	55,268	
9	11			\$	48,681	\$	49,215	\$	49,749	\$	52,768	\$	53,302	\$	53,837	\$	54,372	\$	54,906	\$	55,441	\$	55,975	\$	56,510	
10	12					\$	50,156	\$	50,690	\$	54,010	\$	54,545	\$	55,079	\$	55,614	\$	56,149	\$	56,683	\$	57,218	\$	57,752	
11	13							\$	55,253	\$	55,787	\$	56,322	\$	56,856	\$	57,391	\$	57,926	\$	58,460	\$	58,995	\$	59,530	
12	14									\$	57,564	\$	58,099	\$	58,633	\$	59,168	\$	59,703	\$	60,237	\$	60,772	\$	61,307	
13+	15																	\$	59,876	\$	60,410	\$	60,945	\$	61,480	

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 2016-2017

Supplemental	2016-17 Annual Amount	Supplemental	2016-17 Annual Amount	Supplemental	2016-17 Annual Amount
Level A		Level B		Level C	
Untitled Level A	\$ 1,370	Untitled Level B	\$ 2,153	Untitled Level - C	\$ 2,936
All City Music Leader	1,370	Acad Core Team Ldr 3-4 - Midd	2,153	Acad Core Tm Ldr 5 & above Mid	2,936
Area Music Leader - Elementary	1,370	Academy Leader	2,153	Academic Bowl Sponsor - High	2,936
Asst Band	1,370	Athletic Coordinator - Middle	2,153	AVID District Coordinator	2,936
Before School Supervisor	1,370	AVID Site Coordinator	2,153	Cheerleader Head Sponsor High	2,936
Class Head Sponsor - High	1,370	AYP LA/Math Contact	2,153	Detention Rm Monitor-Mid or Hi	2,936
Elementary Chair 4 or more	1,370	Bus Monitor	2,153	Forensic Coach - High	2,936
Exploratory Team Leader - Midd	1,370	Drama Production Middle	2,153	Intensive Support Team	2,936
Extended School Year Team	1,370	Hallway Supervision Lunch	2,153	Newspaper Head Sponsor - High	2,936
EC Event/Club Sponsor - A	1,370	Instrumental Music Leader Midd	2,153	Peer Consultant - Gov Bd Membr	2,936
Flag Team/Color Guard Supervisor	1,370	Intervention Tutor - B	2,153	Pom Pon Head Sponsor - High	2,936
Future Educators Club Sponsor	1,370	Intramural Activity - High	2,153	School to Work Academy Leader - High	2,936
Grade Level Lead	1,370	Leadership Sponsor - JROTC Middle	2,153	Social Worker Ldr 3 & above	2,936
Honor Society Sponsor	1,370	Yearbook Head Sponsor-Middle	2,153	Student Council Hd Spons High	2,936
Intervention Tutor - A	1,370	National Academic League Sponsor	2,153	Teacher In Charge	2,936
Lead Teachers - Secondary	1,370	Pep Club Sponsor - High	2,153	PEP Grant Physical Activity Secondary	2,936
Intramural Activity - Middle	1,370	Safety Patrol Sponsor - Elem	2,153		
School Improvement Team	1,370	School Improvement Leader	2,153		
Science Olympiad Coach	1,370	Student Council Sponsor - Midd	2,153		
Shared Inquiry Coach	1,370	Vocal Music Leader - Middle	2,153		
Spirit Club Sponsor - Middle	1,370	EC School Wide Publications/Website Editor - B	2,153		
EC School Wide Publications/Website Editor - A	1,370	EC Event/Club Sponsor - B	2,153		
Family Engagement Contact	1,370				
Circle of Friends Program	1,370				
Vertical Team Leader	1,370				
Career/Technical Support Org	1,370				
Level D		Level E		Level F	
Untitled Level - D	\$ 3,719	Untitled Level - E	\$ 4,501	Untitled Level - F	\$ 5,285
Activity Bus Monitor	3,719	Department Chair 3-6 - High	4,501	After School Program Supervisor	5,285
Debate Coach - High	3,719	Head Counselor - High	4,501	Elementary Truancy Specialist	5,285
Drama Activities Leader - High	3,719	Head Library Media Spec - High	4,501	Instrumental Music Leader High	5,285
Site Technology Specialist - D	3,719	In-Service Presenter	4,501	Junior Reserve Officer - Commissioned - High	5,285
Yearbook Sponsor - High	3,719	Lunchroom Monitor	4,501		
		Site Technology Specialist - E	4,501		
		Ticket Specialist - High	4,501		
		Vocal Music Leader - High	4,501		
Level G		Level H		Level I	
Untitled Level - G	\$ 6,068	Untitled Level - H	\$ 6,850	Untitled Level - I	\$ 7,634
Department Chair 7-8 - High	6,068			Department Chair 9-17 - High	7,634
Junior Reserve Officer - Non-Commissioned - High	6,068			District Curriculum Designer	7,634
Level J		Level S cont.		Level S cont.	
Untitled Level - J	\$ 8,416	Head Volleyball - High	\$ 3,583	Asst Swimming - High	\$ 2,393
Dept Chair 18 & above - High	8,416	Head Wrestling - High	4,699	Asst Tennis - High	1,630
Peer Consultant - Teacher	8,416	Head Bowling - High	2,381	Asst Track - High	3,017
Level S		MS Head Basketball	3,241	Asst Volleyball - High	2,150
Head Baseball - High	\$ 3,810	MS Head Track	2,851	Asst Wrestling - High	2,819
Head Basketball - High	6,507	MS Head Volleyball	2,330	Asst Bowling - High	1,428
Head Cross Country - High	3,041	MS Head Cross Country	1,635	MS Asst Basketball	1,944
Head Football - High	6,507	Asst Baseball - High	2,286	MS Asst Track	1,711
Head Golf - High	2,625	Asst Basketball - High	3,904	MS Asst Volleyball	1,398
Head Gymnastics - High	4,229	Asst Cross Country - High	1,825	MS Asst Cross Country	981
Head Soccer - High	3,810	Asst Football - High	3,904	Athletic Coordinator	9,161
Head Softball - High	3,810	Asst Golf - High	1,575		
Head Swimming - High	3,988	Asst Gymnastics - High	2,538		
Head Tennis - High	2,716	Asst Soccer - High	2,286		
Head Track - High	5,028	Asst Softball - High	2,286		

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

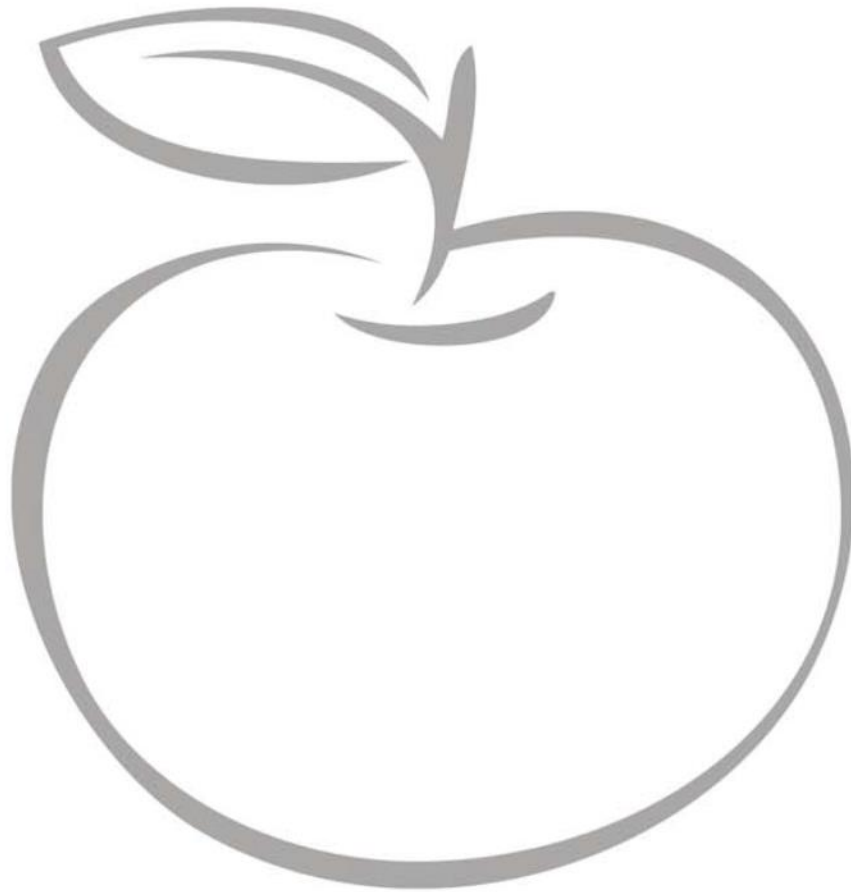
DISTRICT FEEDER PROGRAM

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> Number of students in the feeder pattern: 7,862 Number of buildings in the feeder pattern: 11 Average school building age: 57 years <div style="text-align: right;">16-17 Enrollment</div> East High School 2,264 Jardine Middle School 555 Mead Middle School 531 Robinson Middle School 762 Anderson Elementary School 651 College Hill Elementary School 429 Colvin Elementary School 763 Griffith Elementary School 534 Hyde Elementary School 293 Linwood Elementary School 533 Washington Elementary School 547	<u>Heights High School Feeder Pattern</u> Number of students in the feeder pattern: 6,295 Number of buildings in the feeder pattern: 13 Average school building age: 31 years <div style="text-align: right;">16-17 Enrollment</div> Heights High School 1,140 Brooks Middle School 554 Gordon Parks Middle School 124 Stucky Middle School 547 Buckner Elementary School 391 Chisholm Trail Elementary School 498 Earhart Elementary School 400 Gammon Elementary School 487 Gordon Parks Elementary School 314 Jackson Elementary School 433 L'Ouverture Elementary School 370 Mueller Elementary School 480 Spaght Elementary School 557	<u>North High School Feeder Pattern</u> Number of students in the feeder pattern: 7,768 Number of buildings in the feeder pattern: 15 Average school building age: 65 years <div style="text-align: right;">16-17 Enrollment</div> North High School 2,136 Hadley Middle School 480 Horace Mann Middle School 168 Marshall Middle School 497 Pleasant Valley Middle School 645 Cloud Elementary School 631 Horace Mann Elementary School 433 Irving Elementary School 454 McLean Elementary School 266 OK Elementary School 324 Ortiz Elementary School 415 Park Elementary School 352 Pleasant Valley Elementary School 371 Riverside Elementary School 271 Woodland Elementary School 325
<u>Northeast High School Feeder Pattern</u> Number of students in the feeder pattern: 3,009 Number of buildings in the feeder pattern: 6 Average school building age: 40 years <div style="text-align: right;">16-17 Enrollment</div> Northeast Magnet High School 722 Allison Middle School 536 Black Elementary School 427 Bostic Elementary School 295 Enders Elementary School 464 Isely Elementary School 565	<u>Northwest High School Feeder Pattern</u> Number of students in the feeder pattern: 4,381 Number of buildings in the feeder pattern: 7 Average school building age: 58 years <div style="text-align: right;">16-17 Enrollment</div> Northwest High School 1,391 Wilbur Middle School 804 Benton Elementary School 354 Cleaveland Elementary School 286 Kensler Elementary School 620 McCollom Elementary School 452 Peterson Elementary School 474	<u>South High School Feeder Pattern</u> Number of students in the feeder pattern: 5,661 Number of buildings in the feeder pattern: 7 Average school building age: 52 years <div style="text-align: right;">16-17 Enrollment</div> South High School 1,813 Truesdell Middle School 1,061 Cessna Elementary School 521 Enterprise Elementary School 532 Kelly Elementary School 512 White Elementary School 560 Woodman Elementary School 662
<u>Southeast High School Feeder Pattern</u> Number of students in the feeder pattern: 8,348 Number of buildings in the feeder pattern: 14 Average school building age: 43 years <div style="text-align: right;">16-17 Enrollment</div> Southeast High School 1,741 Christa McAuliffe Middle School 406 Coleman Middle School 484 Curtis Middle School 729 Adams Elementary School 527 Allen Elementary School 543 Beech Elementary School 590 Caldwell Elementary School 541 Christa McAuliffe Elementary School 390 Clark Elementary School 373 Jefferson Elementary School 458 Minneha Elementary School 605 Price-Harris Elementary School 417 Seltzer Elementary School 544	<u>West High School Feeder Pattern</u> Number of students in the feeder pattern: 5,636 Number of buildings in the feeder pattern: 10 Average school building age: 71 years <div style="text-align: right;">16-17 Enrollment</div> West High School 1,326 Hamilton Middle School 591 Mayberry Middle School 610 Dodge Elementary School 573 Franklin Elementary School 346 Gardiner Elementary School 586 Harry Street Elementary School 453 Lawrence Elementary School 421 Payne Elementary School 291 Stanley Elementary School 439	<u>Alternative and Special Schools</u> Number of students in the feeder pattern: 916 Number of buildings in the feeder pattern: 1 * Average school building age: 66 years <div style="text-align: right;">16-17 Enrollment</div> Wichita Alternative High School 113 Learning Centers/Other Sites 803 * Excludes Learning Centers / Other Sites
<u>Special Education Schools</u> Number of students in the feeder pattern: 288 Number of buildings in the feeder pattern: 5 Average school building age: 49 years <div style="text-align: right;">16-17 Enrollment</div> Chisholm Life Skills Center 96 Greiffenstein Special Education Center 32 Levy Special Education Center 69 Sowers Special Education Center 59 Wells Special Education Center 32	<u>Early Childhood Education Schools</u> Number of students in the feeder pattern: 397 Number of buildings in the feeder pattern: 1 Average school building age: 63 years <div style="text-align: right;">16-17 Enrollment</div> Little Early Childhood Center 397	<u>Other District Buildings</u> Number of buildings: 3 Average building age: 47 years Joyce Focht Instructional Support Center Management Information Systems Center School Service Center

16-17 Student Enrollment Total: 50,561

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, 903 S. Edgemoor St., Wichita, KS 67218.

