

WYOMING PUBLIC SCHOOLS
REPORT ON FINANCIAL STATEMENTS
(with required supplementary and additional information)
YEAR ENDED JUNE 30, 2011

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Wyoming Public Schools

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wyoming Public Schools, as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Wyoming Public Schools' management. 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 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 Wyoming Public Schools as of June 30, 2011 and the respective changes in financial position, thereof, for the year ended in conformity with accounting principles generally accepted in the United States of America.

As described in Notes 1 and 12 to the financial statements, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2011 of Wyoming Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages vi and xii and 31, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Wyoming Public Schools' basic financial statements. The additional information on pages 33 through 43 is presented for purposes of additional analysis and are not a required part of the basic financial statements. This additional information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "Maney Costeiran PC". The signature is written in a cursive style and is centered on the page.

October 31, 2011

MANAGEMENT’S DISCUSSION AND ANALYSIS

This section of the Wyoming Public Schools’ (“District”) annual financial report presents our discussion and analysis of the District’s financial performance during the fiscal year ended on June 30, 2011. Please read it in conjunction with the District’s financial statements which immediately follow this section.

FINANCIAL OVERVIEW

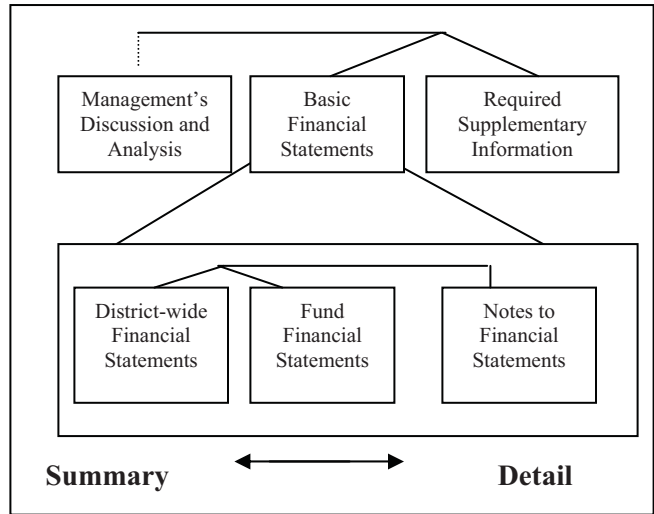
- The District’s general fund financial situation improved from the 2010 fiscal year to 2011.
- For the 2010-11 school year, general fund equity was increased by \$373,395.
- During the 2010-11 school year compared to 2009-10, general fund revenues decreased by \$3,744,272 (7.08 percent), while expenditures decreased by \$4,563,483 (8.53 percent).
- Student enrollment decreased by 391 students from September of 2009 to September of 2010. This represents a decline of approximately 7.5 percent from the September 2009 figure.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts - management’s discussion and analysis (this section), the basic financial statements and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are district-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 district-wide notes to financial statements.
- The governmental funds statements tell how basic services like instruction and support services were financed in the short-term as well as what remains for future spending.
- 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.

**Figure A-1
Organization of Wyoming Public Schools’
Annual Financial Report**



The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District’s budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-2			
Major Features of District-Wide and Fund Financial Statements			
	District-wide Statements	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance.	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required financial statements	* Statement of net assets * Statement of activities	* Balance sheet * Statement of revenues, expenditures and changes in fund balances	* Statement of fiduciary assets and liabilities * Statement of change in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both short-term and long-term, Houghton Lake's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

Figure A-2 summarized the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

DISTRICT-WIDE STATEMENTS

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statements of net assets include 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 district-wide statements report the District's net assets and how they have changed. Net assets - the difference between the District's assets and liabilities - are one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District, 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.

District-wide financial statements:

- Governmental activities - Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds - not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs.

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (like repaying debt, and its capital projects fund) or to show that it is properly using certain revenues (like school lunch).

The District has two kinds of funds.

- Governmental funds - Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information with the governmental funds statements that explain the relationship (or differences) between them.
- Fiduciary funds - The District is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund and the student activities funds. 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. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net assets - The District's combined net assets were more on June 30, 2011 than the year before, increasing by \$978,799 to \$4,025,332.

Table A-3 Wyoming Public Schools Net Assets		
	2011	2010
Current assets	\$ 12,376,488	\$ 13,247,146
Non-current assets	46,377,897	48,268,952
Total assets	58,754,385	61,516,098
Current liabilities	10,350,020	11,405,722
Non-current liabilities	44,379,033	47,063,843
Total liabilities	54,729,053	58,469,565
Net assets:		
Invested in capital assets, net of related debt	1,032,036	(35,473)
Restricted for debt service	108,575	198,028
Restricted for food service	1,378	-
Unrestricted	2,883,343	2,883,978
Total net assets	\$ 4,025,332	\$ 3,046,533

Table A-4
Changes in Wyoming Public Schools' Net Assets

	2011	2010
Revenues:		
Program revenues:		
Charges for services	\$ 1,118,665	\$ 1,278,586
Federal and state categorical grants	13,313,232	14,547,803
General revenues:		
Property taxes	11,290,944	11,851,370
Investment	47,661	46,185
State aid - unrestricted	29,765,936	30,700,179
Federal sources - unrestricted	613,299	1,554,893
Other	504,141	463,110
Total revenues	<u>56,653,878</u>	<u>60,442,126</u>
Expenses:		
Instruction	32,454,964	35,161,935
Support services	17,548,669	20,409,561
Community services	160,059	42,457
Outgoing transfers and other transactions	1,109,367	1,195,537
Food services	2,293,625	2,342,518
Interest on long-term debt	2,108,395	2,241,245
Total expenses	<u>55,675,079</u>	<u>61,393,253</u>
Change in net assets	<u>\$ 978,799</u>	<u>\$ (951,127)</u>

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

For the District as a whole its *combined* fund balance, is \$5,746,789 compared to \$5,270,039 in 2010. The fund balance increased by \$476,750 for the year primarily due to an increase of \$373,395 in the general fund.

General Fund and Budget Highlights

During the 2010-11 fiscal year the original district budget was amended once to reflect changes which affected the District. The final budget was amended to show a current year balance of \$3,946,484 while the actual fund balance for the year was \$4,513,974. The better-than-anticipated final result was due largely to budgeted funds going unspent at the building and departmental levels.

At June 30, 2011, the District's fund balance in the general fund was \$4,513,974. Remaining fund balance represented 9.3 percent of 2010-11 general fund expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District's capital assets are as follows:

Table A-5 Wyoming Public Schools' Capital Assets				
	2011			2010
	Cost	Accumulated depreciation	Net book value	Net book value
Land	\$ 569,711	\$ -	\$ 569,711	\$ 509,246
Land improvements	3,811,656	2,305,476	1,506,180	1,747,248
Buildings and additions	73,487,082	31,544,274	41,942,808	43,200,068
Furniture and equipment	5,272,825	4,339,224	933,601	1,205,161
Transportation equipment	2,063,848	1,361,797	702,051	815,152
Total	<u>\$ 85,205,122</u>	<u>\$ 39,550,771</u>	<u>\$ 45,654,351</u>	<u>\$ 47,476,875</u>

LONG-TERM DEBT

At June 30, 2011, the District had approximately \$47.8 million in long-term obligations which included \$44,930,007 in outstanding bonded debt. The bonded debt obligation was reduced during the year as \$2,892,192 of previously outstanding bonds were redeemed. In addition to the bonded debt, the District has obligations for accumulated vacation and sick leave estimated at roughly \$2.9 million at the end of the fiscal year. More detailed information is available in Note 6 to the financial statements.

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District was aware of the following items that could significantly affect its financial health in the future:

- With declining enrollment, lack of stability in the funding stream from the State, and rising pension contribution costs, The District administration must be diligent in maintaining a reasonable level of reserves (fund balance). Measures to accomplish this include, but are not limited to, cooperative agreements with Kent Intermediate School District as well as neighboring public and parochial schools, continuing to manage the size of staff according to student population, and application for and use of grant funding for programs to improve the education of students.
- The district has aging facilities, and capital outlay needs continue to accrue. With a relatively stagnant economy and declining taxable values, the District may have trouble passing millages to address these needs. That means general funds will need to be budgeted to cover significant facilities-related costs that arise.
- The District settled two-year agreements with its unionized staff during the fiscal year ended June 30, 2011. Those agreements expire August 15, 2013. Through these settlements, and new legislation at the state level regarding public employee benefits, the district has been able to gain control of future fixed cost increases. These changes bring more certainty to the district's financial future, as what have historically been large variables in budgeting and negotiating have been fixed.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional information, please contact the Director of Finance's office at Wyoming Public Schools, 3575 Gladiola Avenue SW, Wyoming, MI 49519.

BASIC FINANCIAL STATEMENTS

**WYOMING PUBLIC SCHOOLS
STATEMENT OF NET ASSETS
JUNE 30, 2011**

ASSETS	<u>Governmental activities</u>
CURRENT ASSETS:	
Cash	\$ 3,935,473
Receivables:	
Accounts receivable	4,166
Current portion of land contract receivable	38,406
Taxes receivable	10,000
Due from other governmental units	7,978,858
Due from student activities	82,468
Inventories	80,009
Prepaid expenditures	<u>247,108</u>
TOTAL CURRENT ASSETS	<u>12,376,488</u>
NONCURRENT ASSETS:	
Land contract receivable	415,854
Deferred charges, net of amortization	307,692
Capital assets	85,205,122
Less accumulated depreciation	<u>(39,550,771)</u>
TOTAL NONCURRENT ASSETS	<u>46,377,897</u>
TOTAL ASSETS	<u><u>\$ 58,754,385</u></u>

LIABILITIES AND NET ASSETS	Governmental activities
CURRENT LIABILITIES:	
Accounts payable	\$ 234,115
Accrued salaries and related items	4,536,258
Due to other governmental units	1,565,448
Accrued interest	335,840
Deferred revenue	242,591
Current portion of long-term obligations	3,147,289
Current portion of compensated absences and termination benefits	288,479
TOTAL CURRENT LIABILITIES	10,350,020
NONCURRENT LIABILITIES:	
Noncurrent portion of long-term obligations	41,782,718
Noncurrent portion of compensated absences and termination benefits	2,596,315
TOTAL NONCURRENT LIABILITIES	44,379,033
TOTAL LIABILITIES	54,729,053
NET ASSETS:	
Invested in capital assets, net of related debt	1,032,036
Restricted for:	
Debt service	108,575
Food service	1,378
Unrestricted	2,883,343
TOTAL NET ASSETS	4,025,332
TOTAL LIABILITIES AND NET ASSETS	\$ 58,754,385

**WYOMING PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2011**

<u>Functions/programs</u>	<u>Expenses</u>	<u>Program revenues</u>		<u>Governmental activities</u>
		<u>Charges for services</u>	<u>Operating grants</u>	<u>Net (expense) revenue and changes in net assets</u>
Governmental activities:				
Instruction	\$ 32,454,964	\$ 34,385	\$ 9,983,049	\$ (22,437,530)
Support services	17,548,669	605,930	1,321,251	(15,621,488)
Community services	160,059	-	-	(160,059)
Outgoing transfers and other transactions	1,109,367	-	-	(1,109,367)
Food services	2,293,625	478,350	1,992,881	177,606
Interest on long-term debt	2,108,395	-	16,051	(2,092,344)
Total governmental activities	<u>\$ 55,675,079</u>	<u>\$ 1,118,665</u>	<u>\$ 13,313,232</u>	<u>(41,243,182)</u>
General revenues:				
Property taxes, levied for general purposes				6,516,082
Property taxes, levied for debt service				4,774,862
Investment earnings				47,661
State sources				29,765,936
Federal sources - unrestricted				613,299
Other				504,141
Total general revenues				<u>42,221,981</u>
CHANGE IN NET ASSETS				978,799
NET ASSETS, beginning of year				<u>3,046,533</u>
NET ASSETS, end of year				<u>\$ 4,025,332</u>

See notes to financial statements.

**WYOMING PUBLIC SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011**

	General Fund	Other nonmajor governmental funds	Total governmental funds
ASSETS			
ASSETS:			
Cash and cash equivalents	\$ 3,523,453	\$ 412,020	\$ 3,935,473
Receivables:			
Property taxes receivable	10,000	-	10,000
Accounts receivable	4,166	-	4,166
Land contract receivable		454,260	454,260
Due from other governmental units	7,903,296	75,562	7,978,858
Due from other funds	37,799	682,514	720,313
Due from student activities	82,468	-	82,468
Inventories	50,384	29,625	80,009
Prepaid expenditures	97,108	150,000	247,108
TOTAL ASSETS	\$ 11,708,674	\$ 1,803,981	\$ 13,512,655
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts payable	\$ 176,628	\$ 57,487	\$ 234,115
Accrued salaries and related items	4,527,036	9,222	4,536,258
Due to other governmental units	1,560,271	5,177	1,565,448
Due to other funds	682,514	37,799	720,313
Deferred revenue	248,251	461,481	709,732
TOTAL LIABILITIES	7,194,700	571,166	7,765,866
FUND BALANCES:			
Nonspendable:			
Inventories	50,384	29,625	80,009
Prepaid expenditures	97,108	150,000	247,108

See notes to financial statements.

	<u>General Fund</u>	<u>Other nonmajor governmental funds</u>	<u>Total governmental funds</u>
FUND BALANCES:			
Restricted for:			
Debt service	\$ -	\$ 444,415	\$ 444,415
Food service	-	1,378	1,378
Assigned for:			
Capital projects	-	607,397	607,397
Unassigned, reported in:			
General fund	4,366,482	-	4,366,482
	<u>4,513,974</u>	<u>1,232,815</u>	<u>5,746,789</u>
TOTAL FUND BALANCES			
	<u>\$ 11,708,674</u>	<u>\$ 1,803,981</u>	<u>\$ 13,512,655</u>
TOTAL LIABILITIES AND FUND BALANCES			
			\$ 5,746,789
Total governmental fund balances			307,692
Amounts reported for governmental activities in the statement of net assets are different because:			
Value of amortized bond issuance costs		\$ 431,059	
Accumulated amortization		<u>(123,367)</u>	454,260
The land contract receivable generated from the sale of property is recognized as revenue on the Statement of Activities in the year of sale.			
Capital assets used in governmental activities are not financial resources and are not reported in the funds			
The cost of the capital assets is		85,205,122	
Accumulated depreciation is		<u>(39,550,771)</u>	45,654,351
Long-term liabilities are not due and payable in the current period and are not reported in the funds:			
Bonds payable			(44,930,007)
Compensated absences and termination benefits			(2,884,794)
Accrued interest is not included as a liability in government funds, it is recorded when paid			(335,840)
Deferred revenue at June 30, 2011, expected to be collected after September 1, 2011			12,881
Net assets of governmental activities			<u>\$ 4,025,332</u>

See notes to financial statements.

WYOMING PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

	General Fund	Other nonmajor governmental funds	Total governmental funds
REVENUES:			
Local sources:			
Property taxes	\$ 6,521,702	\$ 4,777,624	\$ 11,299,326
Tuition	258,976	-	258,976
Investment earnings	34,113	13,548	47,661
Food sales, athletics, and community service	90,498	478,350	568,848
Other	691,907	144,140	836,047
Total local sources	7,597,196	5,413,662	13,010,858
State sources	31,125,628	238,407	31,364,035
Federal sources	5,713,266	1,877,717	7,590,983
Incoming transfers and other	4,731,568	-	4,731,568
Total revenues	49,167,658	7,529,786	56,697,444
EXPENDITURES:			
Current:			
Instruction	30,628,208	-	30,628,208
Supporting services	17,026,280	-	17,026,280
Food service activities	-	2,208,212	2,208,212
Community service activities	140,408	-	140,408
Outgoing transfers and other transactions	1,109,367	-	1,109,367
Capital outlay	-	88,698	88,698

See notes to financial statements.

	General Fund	Other nonmajor governmental funds	Total governmental funds
EXPENDITURES (Concluded)			
Debt service:			
Principal repayment	-	\$ 2,892,192	\$ 2,892,192
Interest	-	2,126,263	2,126,263
Other	-	1,066	1,066
Total expenditures	48,904,263	7,316,431	56,220,694
EXCESS OF REVENUES OVER EXPENDITURES	263,395	213,355	476,750
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	110,000	-	110,000
Transfers to other funds	-	(110,000)	(110,000)
Total other financing sources (uses)	110,000	(110,000)	-
NET CHANGE IN FUND BALANCES	373,395	103,355	476,750
FUND BALANCES:			
Beginning of year, as restated	4,140,579	1,129,460	5,270,039
End of year	\$ 4,513,974	\$ 1,232,815	\$ 5,746,789

See notes to financial statements.

**WYOMING PUBLIC SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2011**

Net change in fund balances total governmental funds	\$ 476,750
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. In the statement of activities these costs are allocated over their estimated useful lives as depreciation.	
Depreciation expense	(1,965,087)
Capital outlay	142,563
Accrued interest on bonds is recorded in the statement of activities when incurred; it is not recorded in governmental funds until it is paid:	
Accrued interest payable, beginning of the year	353,708
Accrued interest payable, end of the year	(335,840)
Collections on the land contract receivable are revenues in the governmental funds, but decrease noncurrent assets in the Statement of Net Assets.	
	(43,065)
The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The effect of these differences is the treatment of long-term debt and related items and are as follows:	
Payments on debt	2,892,192
Amortization of bond issuance costs	(25,466)
Amortization of deferred loss on refunding	(93,016)
Amortization of bond premium	128,813
Amortization of bond discount	(12,490)
Revenue is recorded on the accrual method in the statement of activities; in the governmental funds it is recorded on the modified accrual method and not considered available:	
Deferred revenue, beginning of the year	(13,382)
Deferred revenue, end of the year	12,881
Compensated absences are reported on the accrual method in the statement of activities, and recorded as an expenditure when financial resources are used in the governmental funds:	
Accrued compensated absences and termination benefits, beginning of the year	2,345,032
Accrued compensated absences and termination benefits, end of the year	(2,884,794)
Change in net assets of governmental activities	\$ 978,799

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Wyoming Public Schools have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Reporting entity

The Wyoming Public Schools (the "District") is governed by the Wyoming Public Schools Board of Education (the "Board"), which has responsibility and control over all activities related to public school education within the District. The District receives funding from local, state, and federal government sources and must comply with all of the requirements of these funding source entities. However, the District is not included in any other governmental reporting entity as defined by the accounting principles generally accepted in the United States of America. Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and the primary accountability for fiscal matters. In addition, the District's reporting entity does not contain any component units as defined in Governmental Accounting Standards Board Statements No. 14 and 39.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. The government-wide financial statements categorize primary activities as either governmental or business type. All of the District's activities are classified as governmental activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges paid by recipients who purchase, use or directly benefit from goods or services 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. State Foundation Aid, certain revenue from the intermediate school district and other unrestricted items are not included as program revenues but instead as *general revenues*.

In the government-wide statement of net assets, the governmental activities column (a) is presented on a consolidated basis, (b) and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net assets are reported in three parts - invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and fund financial statements (Continued)

The District first utilizes restricted resources to finance qualifying activities.

The government-wide statement of activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, fines, permits and charges, etc.) The statement of activities reduces gross expenses by related program revenues and operating grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net costs (by function) are normally covered by general revenue (property taxes, state sources, intermediate district sources, interest income and other revenues.

The District does not allocate indirect costs.

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net assets resulting from the current year's activities.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Governmental Funds - Governmental funds are those funds through which most school district functions typically are financed. The acquisition, use and balances of the school district's expendable financial resources and the related current liabilities are accounted for through governmental funds.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and fund financial statements (Concluded)

Other non-major funds

The *special revenue fund* accounts for revenue sources that are legally restricted to expenditures for specific purposes (not including expendable trusts or major capital projects). The District accounts for its food service activities in the special revenue fund.

The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The *capital projects fund* accounts for the transfers from the general fund for the acquisition of fixed assets.

Fiduciary funds account for assets held by the District in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the District under the terms of a formal trust agreement. Fiduciary funds are not included in the government-wide statements.

The *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. This fund is used to account for assets that the District holds for others in an agency capacity (primarily student activities).

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Accrual Method

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. 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 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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Government Accounting Standards Board.

Modified Accrual Method

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. 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.

Property taxes, state and federal aid and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

State Revenue

The State of Michigan utilizes a foundation grant approach which provides for a specific annual amount of revenue per pupil based on a statewide formula. The Foundation is funded from state and local sources. Revenues from state sources are primarily governed by the School Aid Act and the School Code of Michigan. The Michigan Department of Education administers the allocation of state funds to school districts based on information supplied by the districts. For the year ended June 30, 2011, the Foundation allowance was based on pupil membership counts taken in February and September of 2010.

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Concluded)

State Revenue (Concluded)

The state portion of the foundation is provided primarily by a state education property tax millage of 6 mills on Principal Residence Exemption (PRE) property and an allocated portion of state sales and other taxes. The local portion of the foundation is funded primarily by Non-PRE property taxes (formerly known as Non-Homestead) which may be levied at a rate of up to 18 mills as well as 6 mills for Commercial Personal Property Tax. The State revenue is recognized during the foundation period and is funded through payments from October 2010 to August 2011. Thus, the unpaid portion at June 30th is reported as due from other governmental units.

The District also receives revenue from the state to administer certain categorical education programs. State rules require that revenue earmarked for these programs be used for its specific purpose. Certain governmental funds require an accounting to the state of the expenditures incurred. For categorical funds meeting this requirement, funds received, which are not expended by the close of the fiscal year are recorded as deferred revenue. Other categorical funding is recognized when the appropriation is received.

D. Other Accounting Policies

1. Cash and cash equivalents include amounts in demand deposits and short-term certificates of deposit.

The District reports its investments in accordance with GASB statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investments Pools* and No. 40, *Deposit and Investment Risk Disclosures*. Under these standards, certain investments are valued at fair value as determined by quoted market prices, or by estimated fair values when quoted market prices are not available. The standards also provide that certain investments are valued at cost (or amortized cost) when they are of a short-term duration, the rate of return is fixed, and the district intends to hold the investment until maturity. Accordingly, investments in banker acceptances and commercial paper are recorded at amortized cost.

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Other Accounting Policies (Continued)

1. Cash and cash equivalents include amounts in demand deposits and short-term certificates of deposit. (Concluded)

State statutes authorize the District to invest in bonds and other direct and certain indirect obligations of the U.S. Treasury; certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank, savings and loan association, or credit union, which is a member of the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation, or National Credit Union Administration, respectively; in commercial paper rated at the time of purchase within the three highest classifications established by not less than two standard rating services and which matures not more than 270 days after the date of purchase. The District is also authorized to invest in U.S. Government or federal agency obligation repurchase agreements, bankers' acceptances of U.S. banks, and mutual funds composed of investments as outlined above.

2. Property Taxes

Property taxes levied by the District are collected by various municipalities and periodically remitted to the District. The taxes are levied and become a lien as of July 1 and December 1 and are due upon receipt of the billing by the taxpayer and become a lien on the first day of the levy year. The actual due dates are September 14 and February 14, after which time the bills become delinquent and penalties and interest may be assessed by the collecting entity.

For the year ended June 30, 2011, the District levied the following amounts per \$1,000 of assessed valuation:

Fund	Mills
General fund:	
Non-Principal Residence Exemption (PRE)	18.00
Commercial Personal Property	6.00
Debt service fund:	
PRE, Non-PRE, Commercial Personal Property	5.00

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Other Accounting Policies (Continued)

3. Inventories and Prepaid Expenditures

Inventories are valued at the lower of cost (first-in, first-out) or market. Inventories in the special revenue funds consisting of expendable supplies held for consumption, are recorded as expenditures when consumed rather than when purchased. Inventories for commodities are recorded as revenue when utilized. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenditures.

4. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”.

All receivables, including property taxes receivable, are shown net of an allowance for uncollectibles.

5. Capital Assets

Capital assets purchased or acquired are capitalized at historical cost or estimated historical cost. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives as follows:

Land improvements	10 - 20 years
Buildings and additions	40 - 50 years
Transportation equipment	5 - 10 years
Furniture and equipment	3 - 10 years

The District’s capitalization policy is to capitalize individual amounts exceeding \$5,000. Group purchases are analyzed on a case-by-case basis. Group technology purchases with all individual items below the capitalization threshold are expensed by the District when incurred.

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Other Accounting Policies (Continued)

6. Compensated Absences

The District's policies generally provide for granting vacation or sick leave with pay. The current and long-term liability for compensated absences is reported on the government-wide financial statements. A liability for these amounts, including related benefits, is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations or retirements.

7. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net assets. Bond premiums and discounts, as well as issuance costs and the difference between the reacquisition price and the net carrying amount of the old debt, are deferred and amortized over the life of the bonds using the straight line method which approximates the effective interest method, over the term of the related debt.

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.

8. Use of Estimates

The process of preparing basic financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenditures. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

E. Other Accounting Policies (Concluded)

9. Fund Equity

Beginning with fiscal year 2011, the District implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance - amounts that are in nonspendable form (such as inventory or prepaid expenditures) or are either legally or contractually required to be maintained intact.

Restricted fund balance - amounts constrained to specific purposes by their providers (such as taxpayers, grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. The District's Food Service and Debt Service fund balances are considered restricted.

Committed fund balance - amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (Board of Education). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.

Assigned fund balance - amounts the District intends to use for a specific purpose. Intent can be expressed by the Board of Education or by an official or body to which the Board of Education delegates the authority.

Unassigned fund balance - amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The District would typically use restricted fund balance first, followed by committed resources, and then assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these classified funds.

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the general and special revenue fund.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Superintendent submits to the School Board a proposed operating budget for the fiscal year commencing on July 1. The operating budget includes proposed expenditures and the means of financing them. The level of control for the budgets is at the functional level as set forth and presented as required supplementary information.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to July 1, the budget is legally adopted by School Board resolution pursuant to the Uniform Budgeting and Accounting Act (1968 PA 2). The Act requires that the budget be amended prior to the end of the fiscal year when necessary to adjust appropriations if it appears that revenues and other financing sources will be less than anticipated or so that expenditures will not be in excess of original estimates. Expenditures shall not be made or incurred, unless authorized in the budget, in excess of the amount appropriated. Violations if any are noted in the required supplementary information section.
4. The Superintendent or his designee is authorized to transfer budgeted amounts between major expenditure functions within any fund; however, these transfers and any revisions that alter the total expenditures of any fund must be approved by the School Board.
5. Formal budgetary integration is employed as a management control device during the year for the general and special revenue funds.
6. The budget was amended during the year with supplemental appropriations, the last one approved prior to June 30, 2011. The District does not consider these amendments to be significant.

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 3 - DEPOSITS AND INVESTMENTS

The District had no investments at June 30, 2011.

Interest rate risk. In accordance with its investment policy, the District will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market; and, investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the District's cash requirements.

Credit risk. State law limits investments in commercial paper and corporate bonds to a prime or better rating issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, the District did not have investments in commercial paper and corporate bonds.

Concentration of credit risk. The District will minimize concentration of credit risk, which is the risk of loss attributed to the magnitude of the District's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2011, \$4,198,256 of the District's bank balance of \$4,462,324 was exposed to custodial credit risk because it was uninsured and uncollateralized. The carrying amount is \$4,321,228.

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 3 - DEPOSITS AND INVESTMENTS (Concluded)

Custodial credit risk - investments. For an investment, this 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.

The District will minimize custodial credit risk, which is the risk of loss due to the failure of the security issuer or backer, by; limiting investments to the types of securities allowed by law; and pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the District will do business.

Foreign currency risk. The District is not authorized to invest in investments which have this type of risk.

At June 30, 2011, the carrying amount is as follows:

Deposits - including fiduciary funds of \$385,755	<u>\$ 4,321,228</u>
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The above amounts are reported in the financial statements as follows:

Fiduciary Fund	\$ 385,755
Government wide:	
Current assets:	
Cash	<u>3,935,473</u>
	<u>\$ 4,321,228</u>

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 4 - CAPITAL ASSETS

A summary of changes in the District's capital assets follows:

	Balance July 1, 2010	Additions	Deletions (Reclassifications)	Balance June 30, 2011
Assets not being depreciated:				
Land	\$ 509,246	\$ 60,465	\$ -	\$ 569,711
Other capital assets:				
Land improvements	3,811,656	-	-	3,811,656
Buildings and additions	73,480,709	6,373	-	73,487,082
Furniture and equipment	5,197,100	75,725	-	5,272,825
Transportation equipment	2,129,710	-	65,862	2,063,848
Subtotal	84,619,175	82,098	65,862	84,635,411
Accumulated depreciation:				
Land improvements	2,064,408	241,068	-	2,305,476
Buildings and additions	30,280,641	1,263,633	-	31,544,274
Furniture and equipment	3,991,939	347,285	-	4,339,224
Transportation equipment	1,314,558	113,101	65,862	1,361,797
Total accumulated depreciation	37,651,546	1,965,087	65,862	39,550,771
Net capital assets being depreciated	46,967,629	(1,882,989)	-	45,084,640
Net governmental capital assets	\$47,476,875	\$(1,822,524)	\$ -	\$ 45,654,351

Depreciation expense was charged to programs of the District as follows:

Governmental activities:	
Food service	\$ 98,254
Community service	19,651
Support services	471,621
Instruction	1,375,561
Total governmental activities	\$ 1,965,087

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 5 - RECEIVABLES

Receivables at June 30, 2011 consist of the following:

	Governmental funds
Other governmental units:	
State aid	\$ 5,581,331
Federal revenue	1,782,964
ISD and other	614,563
	\$ 7,978,858

Amounts due from other governmental units include amounts due from federal, state and local sources for various projects and programs.

No allowance for doubtful accounts is considered necessary.

NOTE 6 - LONG-TERM DEBT

The District issues general obligation bonds to provide funds for the acquisition, construction and improvement of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District.

The following is a summary of governmental long-term obligations for the District for the year ended June 30, 2011:

	Accumulated compensated absences	Bonds and other debt	Total
Balance, July 1, 2010	\$ 2,345,032	\$ 47,845,506	\$ 50,190,538
Additions	539,762	-	539,762
Deletions	-	(2,915,499)	(2,915,499)
Balance, June 30, 2011	2,884,794	44,930,007	47,814,801
Less current portion	288,479	3,147,289	3,435,768
Total due after one year	\$ 2,596,315	\$ 41,782,718	\$ 44,379,033

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 6 - LONG-TERM DEBT (Continued)

Bonds payable at June 30, 2011 is comprised of the following issues:

2003 refunding bonds due in annual installments of \$70,000 to \$95,000 through May 1, 2022 with interest from 3.35% to 4.35%	\$ 905,000
2005 refunding bonds due in annual installments of \$1,790,000 to \$1,900,000 through May 1, 2023 with interest from 4.25% to 5.00%	22,620,000
2007 building and site bonds due in annual installments of \$650,000 to \$1,950,000 through May 1, 2022 with interest from 4.00% to 5.50%	13,500,000
2009 refunding bonds due in annual installments of \$525,000 to \$815,000 through May 1, 2022 with interest from 2.50% to 3.75%	7,355,000
Less deferred amounts on bond refunding	(1,108,346)
Less unamortized discount	(157,070)
Plus: premium on bond refunding	<u>1,585,499</u>
Total general obligation debt	44,700,083
Limited obligation (Durant) non-plaintiff bonds due in annual installments of \$112,289 to \$117,635 through November 2013 with an interest rate of 4.76%. Certain State Aid payments have been pledged as security.	<u>229,924</u>
Total bonded debt	44,930,007
Obligation under contract for compensated absences	<u>2,884,794</u>
Total general long-term debt	<u><u>\$ 47,814,801</u></u>

The Durant bonds, including interest, were issued in anticipation of payment to the District as appropriated and to be appropriated by the State of Michigan under Section 11g(3) of Act 94 (State Aid payments). The District has pledged and assigned to the bondholder all rights to these State Aid payments as security for the Bond.

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account, assets and liabilities for the defeased bonds are not included in the District's financial statements. At June 30, 2011, \$31,445,000 bonds outstanding are considered defeased.

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 6 - LONG-TERM DEBT (Concluded)

The annual requirements to amortize debt outstanding as of June 30, 2011, including interest payments of \$13,841,990 are as follows:

Year ending June 30,	Principal	Interest	Amounts payable
2012	\$ 3,147,289	\$ 2,130,070	\$ 5,277,359
2013	3,302,635	2,012,522	5,315,157
2014	3,350,000	1,750,498	5,100,498
2015	3,495,000	1,605,410	5,100,410
2016	3,660,000	1,439,084	5,099,084
2017 - 2021	20,995,000	4,497,938	25,492,938
2022 - 2026	6,660,000	406,468	7,066,468
	44,609,924	13,841,990	58,451,914
Deferred loss on bond refunding	(1,108,346)	-	(1,108,346)
Discounts on bond refunding	(157,070)	-	(157,070)
Premium on bond refunding	1,585,499	-	1,585,499
Accumulated compensated absences	2,884,794	-	2,884,794
	<u>\$ 47,814,801</u>	<u>\$ 13,841,990</u>	<u>\$ 61,656,791</u>

NOTE 7 - INTERFUND RECEIVABLES AND PAYABLES

Interfund payable and receivable balances at June 30, 2011 are as follows:

Receivable fund		Payable fund	
General fund	\$ 37,799	General fund	\$ 682,514
Debt service	278,187	Debt service	125
Capital projects	404,327	Special revenue	37,674
	<u>\$ 720,313</u>		<u>\$ 720,313</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 8 - EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PLAN

Plan Description - The District contributes to the statewide Michigan Public School Employees' Retirement System (MPSERS), a cost sharing multiple-employer state-wide defined benefit public employee retirement plan governed by the State of Michigan. The MPSERS provides retirement survivor and disability benefits and postretirement benefits for health, dental and vision for substantially all employees of the District. The MPSERS was established by Public Act 136 of 1945 and operated under the provisions of Public Act 300 of 1980, as amended. The MPSERS issues a publicly available financial report that includes financial statements and required supplementary information for MPSERS. That report may be obtained by writing to Michigan Public School Employees Retirement System, P.O. Box 30171, Lansing, Michigan 48909-7671 or by calling (800) 381-5111.

Funding Policy - Member Investment Plan (MIP) members enrolled in MIP prior to January 1, 1990 contribute a permanently fixed rate of 3.9% of gross wages. The MIP contribution rate was 4.0% from January 1, 1987, the effective date of the MIP, until January 1, 1990 when it was reduced to 3.9%. Members first hired January 1, 1990 or later and returning members who did not work between January 1, 1987 through December 31, 1989 contribute at the following graduated permanently fixed contribution rate: 3% of the first \$5,000; 3.6% of \$5,001 through \$15,000; 4.3% of all wages over \$15,000. Members joining the system on or after July 1, 2008 contribute at the following graduated rate: 3% of the first \$5,000, 3.6% of \$5,001 through \$15,000 and 6.4% of all wages over \$15,000.

Basic Plan members make no contributions. For a limited period ending December 31, 1992, an active Basic Plan member could enroll in the MIP by paying the contributions that would have been made had enrollment occurred initially on January 1, 1987 or on the date of hire, plus interest. MIP contributions at the rate of 3.9% of gross wages begin at enrollment. Actuarial rate interest is posted to member accounts on July 1st on all MIP monies on deposit for 12 months. If a member leaves MPSERS service and no pension is payable, the member's accumulated contribution plus interest, if any, are refundable.

On May 19, 2010, the Governor signed Public Act 75 of 2010 into law. As a result, any member of MPSERS who became a member of MPSERS after June 30, 2010 is a Pension Plus Member. The Pension Plus Plan pairs a guaranteed retirement income (defined benefit pension) with a flexible and transferable retirement savings (defined contribution) account.

The District is required to contribute the full actuarial funding contribution amount to fund pension benefits, plus an additional amount to fund retiree health care benefit amounts on a cash disbursement basis. The rate through September 30, 2010 was 16.94% of payroll and increased to 19.41% for the base plan and 17.91% for pension plus members effective October 1, 2010 through October 31, 2010 at which time it increased again due to the number of retirees associated with the early retirement incentive to 20.66% for basic plan members and 19.16% for pension plus members for the period November 1, 2010 through June 30, 2011. In addition, the District is required to match 50% up to 1% of the employees contribution in the pension plus plan. The contribution requirements of plan members and the District are established and may be amended by the MPSERS Board of Trustees. The health care portion is 5.5% before the 3% for the injunction. The District contributions to MPSERS for the year ended June 30, 2011, 2010 and 2009 were \$4,992,215, \$4,792,032, and \$4,892,152 respectively, and were equal to the required contribution for those years.

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 8 - EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PLAN (Concluded)

Other Post-employment Benefits - Retirees have the option of health coverage, which is funded on a cash disbursement basis by the employers. The System has contracted to provide the comprehensive group medical, hearing, dental and vision coverage for retirees and beneficiaries. A significant portion of the premiums is paid by the System with the balance deducted from the monthly pension of each retiree health care recipient. Public Act 75 of 2010 requires each actively employed member of MPSERS after June 30, 2010 to contribute 3% (or 1.5%) of their compensation to offset employer contributions for health care benefits of current retirees. For the school fiscal year that began July 1, 2010, members who were employed by a reporting unit and were paid less than \$18,000 in the prior school year and members who were hired on or after July 1, 2010, with a starting salary of less than \$18,000 are required to contribute 1.5% of the members' compensation. For each school fiscal year that begins on or after July 1, 2011, members shall contribute 3% of compensation into the health care funding account. Effective April 1, 2011, a court order eliminated this requirement. The court order is being appealed by the State of Michigan.

Pension recipients are generally eligible for fully paid Master Health Plan coverage and 90% paid Dental Plan, Vision Plan and Hearing coverage.

The District is not responsible for the payment of retirement or post-retirement benefits which is the responsibility of the State of Michigan.

NOTE 9 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omission; injuries to employees and natural disasters. The District is a member of the West Michigan Risk Management Trust (Trust), a self insurance program with 32 districts pooling together to insure property, liability and auto exposures. Premiums from members of the Trust are arrived at through standard underwriting procedures. The members of the Trust have contributed amounts sufficient to fund individual and aggregate losses up to \$250,000 and \$1,125,000, respectively, on an annual basis. Excess insurance has been purchased to cover claims exceeding those amounts. A \$1,000 per occurrence deductible for property losses is maintained to place the responsibility for small charges with the members of the Trust.

The District is a member of the West Michigan Workers' Compensation Fund, a self insurance program with 19 districts pooling together to insure workers' compensation and employers' liability exposures. The fund pays the first \$450,000 of any workers' compensation or employers' liability loss out of a \$1,989,413 loss fund collected from members. Excess insurance has been purchased to cover claims exceeding those amounts.

The District carries commercial insurance for all other risks of loss, including employee life, health and accident insurance. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

**WYOMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 10 - TRANSFERS

The food service fund transferred \$110,000 to the general fund. The transfer from the food service fund was made to allocate indirect costs between the funds.

NOTE 11 - CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustments by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

NOTE 12 - FUND BALANCE RECLASSIFICATION

Beginning July 1, 2010, the District adopted GASB Statement No. 54, *Funding Balance Reporting and Governmental Fund Type Definitions*, which redefined the definition of a special revenue fund. As a result, the athletic activities are now included in the general fund rather than a separate fund. The reclassification of the beginning fund balance is as follows:

	<u>General Fund</u>
Fund balance, as previously stated	\$ 4,068,836
Adoption of GASB 54 (athletic fund balance)	<u>71,743</u>
Fund balance, as restated	<u><u>\$ 4,140,579</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

**WYOMING PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2011**

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget - positive (negative)
REVENUES:				
Local sources	\$ 7,748,500	\$ 7,885,523	\$ 7,597,196	\$ (288,327)
State sources	29,426,000	31,239,216	31,125,628	(113,588)
Federal sources	6,324,000	5,791,981	5,713,266	(78,715)
Incoming transfers and other	4,842,500	4,465,965	4,731,568	265,603
Total revenues	<u>48,341,000</u>	<u>49,382,685</u>	<u>49,167,658</u>	<u>(215,027)</u>
EXPENDITURES:				
Current:				
Instruction:				
Basic programs	22,596,500	23,252,956	23,497,900	(244,944)
Added needs	6,994,500	7,351,419	6,915,339	436,080
Adult education	238,500	245,554	214,969	30,585
Total instruction	<u>29,829,500</u>	<u>30,849,929</u>	<u>30,628,208</u>	<u>221,721</u>
Supporting services:				
Pupil	3,376,500	2,978,267	3,050,237	(71,970)
Instructional staff	2,017,000	2,006,879	1,908,441	98,438
General administration	745,000	736,107	715,634	20,473
School administration	2,431,500	2,550,715	2,483,578	67,137
Business	523,000	734,270	634,008	100,262
Operation/maintenance	3,872,500	3,666,783	3,514,706	152,077
Pupil transportation	3,030,500	2,839,687	2,734,259	105,428
Central	1,248,500	1,137,435	1,126,448	10,987
Athletics	900,000	845,935	858,969	(13,034)
Total supporting services	<u>18,144,500</u>	<u>17,496,078</u>	<u>17,026,280</u>	<u>469,798</u>
Community services	99,000	150,781	140,408	10,373
Outgoing transfers and other transactions	1,268,000	1,189,992	1,109,367	80,625
Total expenditures	<u>49,341,000</u>	<u>49,686,780</u>	<u>48,904,263</u>	<u>782,517</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,000,000)</u>	<u>(304,095)</u>	<u>263,395</u>	<u>567,490</u>
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	-	110,000	110,000	-
NET CHANGE IN FUND BALANCE	<u>\$ (1,000,000)</u>	<u>\$ (194,095)</u>	<u>373,395</u>	<u>\$ 567,490</u>
FUND BALANCE:				
Beginning of year, as restated			<u>4,140,579</u>	
End of year			<u>\$ 4,513,974</u>	

ADDITIONAL INFORMATION

**WYOMING PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
YEAR ENDED JUNE 30, 2011**

	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget</u>
LOCAL SOURCES:			
Property taxes	\$ 6,904,580	\$ 6,521,702	\$ (382,878)
Tuition	278,493	258,976	(19,517)
Investment earnings	33,614	34,113	499
Athletics	90,490	90,498	8
Other local revenue	578,346	691,907	113,561
TOTAL LOCAL SOURCES	<u>7,885,523</u>	<u>7,597,196</u>	<u>(288,327)</u>
STATE SOURCES:			
Foundation grant	27,047,000	27,366,108	319,108
Categoricals	4,068,103	3,625,180	(442,923)
Other state revenue	124,113	134,340	10,227
TOTAL STATE SOURCES	<u>31,239,216</u>	<u>31,125,628</u>	<u>(113,588)</u>
FEDERAL SOURCES:			
Title I	1,440,000	1,322,288	(117,712)
Title II - improving teacher quality	220,000	262,949	42,949
Drug-free schools and communities	-	1,532	1,532
IDEA special education	2,013,803	2,007,096	(6,707)
21st century	1,286,000	1,329,767	43,767
ARRA Stabilization	613,299	613,299	-
Other federal revenue	218,879	176,335	(42,544)
TOTAL FEDERAL SOURCES	<u>5,791,981</u>	<u>5,713,266</u>	<u>(78,715)</u>
INCOMING TRANSFERS AND OTHER TRANSACTIONS:			
Special education	3,901,728	4,159,561	257,833
Other	564,237	572,007	7,770
TOTAL INCOMING TRANSFERS AND OTHER TRANSACTIONS	<u>4,465,965</u>	<u>4,731,568</u>	<u>265,603</u>
TOTAL REVENUES	<u>49,382,685</u>	<u>49,167,658</u>	<u>(215,027)</u>
OTHER FINANCING SOURCES:			
Transfers	110,000	110,000	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$49,492,685</u>	<u>\$49,277,658</u>	<u>\$ (215,027)</u>

**WYOMING PUBLIC SCHOOLS
GENERAL FUND SCHEDULE OF EXPENDITURES
YEAR ENDED JUNE 30, 2011
(with comparative totals for the year ended June 30, 2010)**

	Salaries	Employee benefits	Purchased services	Supplies and materials	Capital outlay	Other expenses	Totals	
							2011	2010
Instruction:								
Elementary	\$ 7,461,307	\$ 3,997,350	\$ 192,167	\$ 333,806	\$ -	\$ -	\$ 11,984,630	\$ 12,445,509
Middle school	1,999,663	1,074,694	54,203	70,656	-	975	3,200,191	3,708,339
High school	4,826,441	2,578,226	99,278	218,546	26,186	4,819	7,753,496	8,879,680
Preschool	271,353	167,614	8,124	8,570	-	42	455,703	368,127
Summer school	82,567	17,102	876	1,702	-	1,633	103,880	99,310
Special education	2,835,542	1,547,936	75,989	145,501	-	887,859	5,492,827	6,268,466
Compensatory education	811,845	426,849	45,405	46,859	-	-	1,330,958	1,294,905
Vocational education	51,258	25,574	659	5,834	-	8,229	91,554	124,061
Adult education	144,780	63,427	1,283	5,479	-	-	214,969	256,202
Total instruction	18,484,756	9,898,772	477,984	836,953	26,186	903,557	30,628,208	33,444,599
Supporting services:								
Pupil services	389,545	183,010	18,455	26,361	-	2,432,866	3,050,237	3,730,498
Instructional staff services	954,746	498,012	150,206	58,116	237,617	9,744	1,908,441	2,402,068
General administration	386,653	139,390	161,758	5,731	-	22,102	715,634	715,151
School administration	1,575,091	844,069	31,661	27,214	-	5,543	2,483,578	2,921,736
Business services	243,777	146,650	10,195	1,699	-	231,687	634,008	597,047
Operations and maintenance	1,170,470	830,253	703,863	806,906	2,169	1,045	3,514,706	3,912,497
Transportation	627,559	448,222	210,285	306,191	-	1,142,002	2,734,259	3,091,489
Central services	475,964	322,528	308,487	18,889	-	580	1,126,448	1,479,579
Athletics	252,057	123,858	348,443	57,619	-	76,992	858,969	1,151,655
Total support services	6,075,862	3,535,992	1,943,353	1,308,726	239,786	3,922,561	17,026,280	20,001,720
Community services	51,543	25,215	59,115	4,535	-	-	140,408	76,474
Outgoing transfers and other transactions	-	-	-	-	-	1,109,367	1,109,367	1,096,860
Total expenditures	\$ 24,612,161	\$ 13,459,979	\$ 2,480,452	\$ 2,150,214	\$ 265,972	\$ 5,935,485	\$ 48,904,263	\$ 54,619,653

**WYOMING PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUND TYPES
JUNE 30, 2011**

	<u>Special revenue</u>		Nonmajor capital projects	Total nonmajor governmental funds
	Food service	Debt service		
ASSETS				
ASSETS:				
Cash and cash equivalents	\$ 42,597	\$ 166,353	\$ 203,070	\$ 412,020
Land contract receivable	-	-	454,260	454,260
Due from other governmental units	75,562	-	-	75,562
Due from other funds	-	278,187	404,327	682,514
Prepaid expenditures	150,000	-	-	150,000
Inventories	29,625	-	-	29,625
TOTAL ASSETS	\$ 297,784	\$ 444,540	\$ 1,061,657	\$ 1,803,981
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts payable	\$ 57,487	\$ -	\$ -	\$ 57,487
Accrued salaries and related items	9,222	-	-	9,222
Due to other governmental units	5,177	-	-	5,177
Due to other funds	37,674	125	-	37,799
Deferred revenue	7,221	-	454,260	461,481
TOTAL LIABILITIES	116,781	125	454,260	571,166
FUND BALANCES:				
Nonspendable:				
Inventories	29,625	-	-	29,625
Prepaid expenditures	150,000	-	-	150,000
Restricted for:				
Debt service	-	444,415	-	444,415
Food service	1,378	-	-	1,378
Assigned for:				
Capital projects			607,397	607,397
TOTAL FUND BALANCES	181,003	444,415	607,397	1,232,815
TOTAL LIABILITIES AND FUND BALANCES	\$ 297,784	\$ 444,540	\$ 1,061,657	\$ 1,803,981

**WYOMING PUBLIC SCHOOLS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2011**

	<u>Special revenue</u>		<u>Nonmajor capital projects</u>	<u>Total nonmajor governmental funds</u>
	<u>Food service</u>	<u>Debt service</u>		
REVENUES:				
Local sources:				
Property taxes	\$ -	\$ 4,777,624	\$ -	\$ 4,777,624
Investment earnings	1,588	11,333	627	13,548
Food sales	478,350	-	-	478,350
Other	1,500	-	142,640	144,140
Total local sources	481,438	4,788,957	143,267	5,413,662
State sources	115,164	123,243	-	238,407
Federal sources	1,877,717	-	-	1,877,717
Total revenues	2,474,319	4,912,200	143,267	7,529,786
EXPENDITURES:				
Current:				
Food service activities	2,208,212	-	-	2,208,212
Capital outlay	59,805	-	28,893	88,698
Debt service:				
Principal repayment	-	2,892,192	-	2,892,192
Interest expense	-	2,126,263	-	2,126,263
Other expense	-	1,066	-	1,066
Total expenditures	2,268,017	5,019,521	28,893	7,316,431
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	206,302	(107,321)	114,374	213,355
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	(110,000)	-	-	(110,000)
NET CHANGE IN FUND BALANCES	96,302	(107,321)	114,374	103,355
FUND BALANCES:				
Beginning of year, as restated	84,701	551,736	493,023	1,129,460
End of year	<u>\$ 181,003</u>	<u>\$ 444,415</u>	<u>\$ 607,397</u>	<u>\$ 1,232,815</u>

**WYOMING PUBLIC SCHOOLS
DEBT SERVICE FUNDS
BALANCE SHEET
JUNE 30, 2011**

	<u>2003</u>	<u>2005</u>	<u>2007</u>	<u>2009</u>	<u>Total Nonmajor</u>
ASSETS					
ASSETS:					
Cash and cash equivalents	\$ 9,862	\$ 130,590	-	\$ 25,901	\$ 166,353
Due from other governmental funds	-	41,677	212,160	24,350	278,187
TOTAL ASSETS	<u>\$ 9,862</u>	<u>\$ 172,267</u>	<u>\$ 212,160</u>	<u>\$ 50,251</u>	<u>\$ 444,540</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Due to other governmental funds	\$ 125	-	-	-	\$ 125
FUND BALANCES:					
Restricted for debt service	<u>9,737</u>	<u>172,267</u>	<u>212,160</u>	<u>50,251</u>	<u>444,415</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 9,862</u>	<u>\$ 172,267</u>	<u>\$ 212,160</u>	<u>\$ 50,251</u>	<u>\$ 444,540</u>

**WYOMING PUBLIC SCHOOLS
DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2011**

	2003	2005	2007	2009	1998 Durant	Total Nonmajor
REVENUES:						
Local sources:						
Property taxes	\$ 93,075	\$ 2,856,211	\$ 1,164,856	\$ 663,482	\$ -	\$ 4,777,624
Interest	251	7,093	2,278	1,711	-	11,333
Total local revenue	93,326	2,863,304	1,167,134	665,193	-	4,788,957
State sources	-	-	-	-	123,243	123,243
Total revenues	93,326	2,863,304	1,167,134	665,193	123,243	4,912,200
EXPENDITURES:						
Redemption of bonds	65,000	1,720,000	500,000	500,000	107,192	2,892,192
Interest on bonded debt	37,555	1,186,375	636,744	249,538	16,051	2,126,263
Other	250	241	325	250	-	1,066
Total expenditures	102,805	2,906,616	1,137,069	749,788	123,243	5,019,521
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,479)	(43,312)	30,065	(84,595)	-	(107,321)
FUND BALANCES:						
Beginning of year	19,216	215,579	182,095	134,846	-	551,736
End of year	\$ 9,737	\$ 172,267	\$ 212,160	\$ 50,251	\$ -	\$ 444,415

**WYOMING PUBLIC SCHOOLS
 BONDED DEBT - PRINCIPAL AND INTEREST REQUIREMENTS
 JUNE 30, 2011**

2003 Refunding Bonds

Fiscal year	Interest rate	Principal due May 1,	Interest due		Total due annually
			May 1	November 1	
2012	3.35%	\$ 70,000	\$ 17,738	\$ 17,738	\$ 105,476
2013	3.45%	70,000	16,565	16,565	103,130
2014	3.60%	75,000	15,358	15,358	105,716
2015	3.60%	75,000	14,008	14,008	103,016
2016	3.85%	80,000	12,658	12,658	105,316
2017	3.85%	85,000	11,118	11,118	107,236
2018	4.00%	85,000	9,481	9,481	103,962
2019	4.00%	90,000	7,781	7,781	105,562
2020	4.35%	90,000	5,981	5,981	101,962
2021	4.35%	90,000	4,024	4,024	98,048
2022	4.35%	95,000	2,066	2,066	99,132
Total 2003 bonded debt		<u>\$ 905,000</u>	<u>\$ 116,778</u>	<u>\$ 116,778</u>	<u>\$ 1,138,556</u>

The above bonds dated March 1, 2003 were issued for the purpose of refunding a portion of the School District's outstanding school building and site bonds. The amount of the original bond issue was \$1,330,000.

**WYOMING PUBLIC SCHOOLS
 BONDED DEBT - PRINCIPAL AND INTEREST REQUIREMENTS
 JUNE 30, 2011**

2005 Refunding Bonds

Fiscal year	Interest rate	Principal due May 1,	Interest due		Total due annually
			May 1	November 1	
2012	4.25%	\$ 1,790,000	\$ 558,788	\$ 558,788	\$ 2,907,576
2013	5.00%	1,865,000	520,750	520,750	2,906,500
2014	5.00%	1,895,000	474,125	474,125	2,843,250
2015	5.00%	1,895,000	426,750	426,750	2,748,500
2016	5.00%	1,895,000	379,375	379,375	2,653,750
2017	5.00%	1,895,000	332,000	332,000	2,559,000
2018	5.00%	1,895,000	284,625	284,625	2,464,250
2019	5.00%	1,895,000	237,250	237,250	2,369,500
2020	5.00%	1,895,000	189,875	189,875	2,274,750
2021	5.00%	1,900,000	142,500	142,500	2,185,000
2022	5.00%	1,900,000	95,000	95,000	2,090,000
2023	5.00%	1,900,000	47,500	47,500	1,995,000
Total 2005 bonded debt		<u>\$ 22,620,000</u>	<u>\$ 3,688,538</u>	<u>\$ 3,688,538</u>	<u>\$ 29,997,076</u>

The above bonds dated March 23, 2005 were issued for the purpose of refunding a portion of the School District's outstanding school building and site bonds. The amount of the original bond issue was \$28,100,000.

**WYOMING PUBLIC SCHOOLS
 BONDED DEBT - PRINCIPAL AND INTEREST REQUIREMENTS
 JUNE 30, 2011**

2007 School Building and Site Bonds

Fiscal year	Interest rate	Principal due May 1,	Interest due		Total due annually
			May 1	November 1	
2012	4.000%	\$ 650,000	\$ 308,372	\$ 308,372	\$ 1,266,744
2013	4.000%	700,000	295,372	295,372	1,290,744
2014	4.000%	775,000	281,372	281,372	1,337,744
2015	5.500%	925,000	265,872	265,872	1,456,744
2016	5.500%	1,050,000	240,434	240,434	1,530,868
2017	5.000%	1,200,000	211,559	211,559	1,623,118
2018	4.000%	1,350,000	181,559	181,559	1,713,118
2019	4.500%	1,500,000	154,559	154,559	1,809,118
2020	4.750%	1,625,000	120,809	120,809	1,866,618
2021	4.375%	1,775,000	82,216	82,216	1,939,432
2022	4.450%	1,950,000	43,387	43,387	2,036,774
Total 2007 bonded debt		<u>\$ 13,500,000</u>	<u>\$ 2,185,511</u>	<u>\$ 2,185,511</u>	<u>\$ 17,871,022</u>

The above bonds dated May 1, 2007 were issued to be used for school building and site purposes. The amount of the original bond issue was \$14,865,000.

**WYOMING PUBLIC SCHOOLS
 BONDED DEBT - PRINCIPAL AND INTEREST REQUIREMENTS
 JUNE 30, 2011**

2009 Refunding Bonds

Fiscal year	Interest rate	Principal due May 1,	Interest due		Total due annually
			May 1	November 1	
2012	2.500%	\$ 525,000	\$ 118,519	\$ 118,519	\$ 762,038
2013	2.750%	550,000	111,956	111,956	773,912
2014	2.750%	605,000	104,394	104,394	813,788
2015	3.000%	600,000	96,075	96,075	792,150
2016	3.000%	635,000	87,075	87,075	809,150
2017	3.250%	655,000	77,550	77,550	810,100
2018	3.250%	685,000	66,906	66,906	818,812
2019	3.500%	705,000	55,775	55,775	816,550
2020	3.500%	770,000	43,438	43,438	856,876
2021	3.625%	810,000	29,963	29,963	869,926
2022	3.750%	815,000	15,281	15,281	845,562
Total 2009 bonded debt		<u>\$ 7,355,000</u>	<u>\$ 806,932</u>	<u>\$ 806,932</u>	<u>\$ 8,968,864</u>

The above bonds dated February 11, 2009 were issued for the purpose of refunding a portion of the School District's outstanding 1999 refunding bonds. The amount of the original bond issue was \$8,330,000.

**WYOMING PUBLIC SCHOOLS
 BONDED DEBT - PRINCIPAL AND INTEREST REQUIREMENTS
 JUNE 30, 2011**

\$1,755,019 Durant Bond - issued on November 24, 1998

Principal due May 15,	Interest due May 15,	Debt service requirement	
		June 30,	Amount
\$ 112,289	\$ 10,947	2012	\$ 123,236
117,635	5,601	2013	123,236
<u>\$ 229,924</u>	<u>\$ 16,548</u>		<u>\$ 246,472</u>

This bond is not subject to redemption prior to maturity by the School District and the School District hereby covenants that it will not issue any other bonds or obligations for the purpose of refunding this bond. The interest rates, payable on this bond, is 4.76%, may be adjusted in the sole discretion of the Authority provided that no interest rate shall exceed the maximum rate permitted by law and no interest rate adjustment which causes the total interest payable on this bond to increase shall be permitted.

This bond, including the interest hereon, is issued in anticipation of payments appropriated and to be appropriated by the State under Section 11g(3) of Act 94 to the School District (the "State Aid Payments"). The School District hereby pledges and assigns to the Authority all of its rights to and in such State Aid Payments as security for this bond and the State Aid Payments which are hereby pledged shall be subject to a statutory lien in favor of the Authority as authorized by Act 94. This bond is a self-liquidating bond and is not a general obligation of the School District and does not constitute an indebtedness of the School District within any constitutional or statutory limitation, and is payable both as to principal and interest, solely from such State Aid Payments. The School District, as requested by the Authority, hereby irrevocably authorizes the payment of the State Aid Payments directly to the Authority's Depository.