

**WYOMING PUBLIC SCHOOLS**  
**REPORT ON FINANCIAL STATEMENTS**  
**(with required supplementary and**  
**additional supplementary information)**  
**YEAR ENDED JUNE 30, 2012**

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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, 2012, 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, 2012 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2012, on our consideration of Wyoming Public Schools internal control over financial reporting and 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 6 through 12 and 43, 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.

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 supplementary information on pages 45 through 55 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements 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 12, 2012

## 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, 2012. Please read it in conjunction with the District’s financial statements which immediately follow this section.

### FINANCIAL OVERVIEW

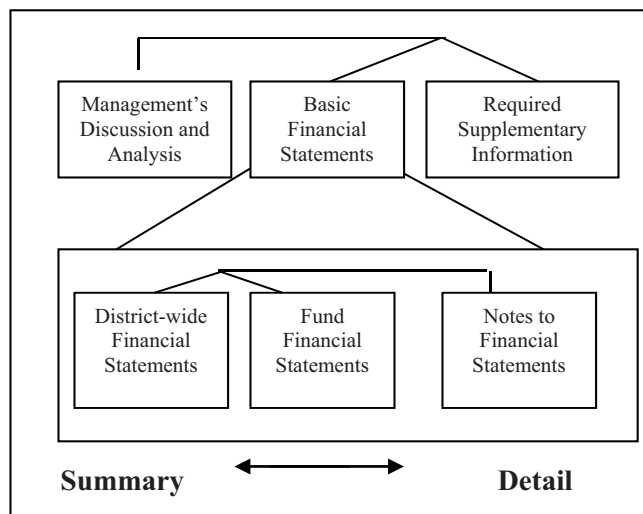
- The District’s general fund financial situation improved from the 2011 fiscal year to 2012.
- For the 2011-12 school year, general fund equity was increased by \$488,307.
- During the 2011-12 school year compared to 2010-11, general fund revenues decreased by \$1,939,523 (3.94 percent), while expenditures decreased by \$2,093,780 (4.28 percent).
- Student enrollment decreased by 148 students from September of 2010 to October of 2011. This represents a decline of approximately 3.1 percent from the September 2010 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.

<b>Figure A-2 Major Features of District-Wide and Fund Financial Statements</b>			
	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
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, 2012 than the year before, increasing by \$907,566 to \$4,932,898.

Table A-3 Wyoming Public Schools Net Assets		
	2012	2011
Current assets	\$ 12,898,143	\$ 12,376,488
Non-current assets	41,707,692	46,377,897
Total assets	54,605,835	58,754,385
Current liabilities	9,683,687	10,350,020
Non-current liabilities	39,989,250	44,379,033
Total liabilities	49,672,937	54,729,053
Net assets:		
Invested in capital assets, net of related debt	(439,439)	1,032,036
Restricted for debt service	45,400	108,575
Restricted for food service	244,498	1,378
Unrestricted	5,082,439	2,883,343
Total net assets	\$ 4,932,898	\$ 4,025,332

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

	<u>2012</u>	<u>2011</u>
Revenues:		
Program revenues:		
Charges for services	\$ 874,876	\$ 1,118,665
Federal and state categorical grants	14,765,673	13,313,232
General revenues:		
Property taxes	10,973,666	11,290,944
Investment	53,998	47,661
State aid - unrestricted	25,868,255	29,765,936
Federal sources - unrestricted	1,239,220	613,299
Other	1,125,257	504,141
Total revenues	<u>54,900,945</u>	<u>56,653,878</u>
Expenses:		
Instruction	29,100,009	32,454,964
Support services	16,988,040	17,548,669
Community services	116,032	160,059
Outgoing transfers and other transactions	1,203,414	1,109,367
Food services	2,323,843	2,293,625
Loss on sale of capital assets	2,264,520	-
Interest on long-term debt	1,997,521	2,108,395
Total expenses	<u>53,993,379</u>	<u>55,675,079</u>
Change in net assets	<u>\$ 907,566</u>	<u>\$ 978,799</u>

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

For the District as a whole its *combined* fund balance, is \$6,899,423 compared to \$5,746,789 in 2011. The fund balance increased by \$1,152,634 for the year, primarily due to an increase of \$488,307 in the general fund and \$504,393 in the building and site fund (stemming from the sale of an elementary school building).

### General Fund and Budget Highlights

During the 2011-12 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 \$4,785,525 while the actual fund balance for the year was \$5,002,281. The better-than-anticipated final result was due largely to budgeted funds going unspent at the building and departmental levels and the timing of expenses incurred related to projects underway at 6/30/2012 for the consolidation of two high school facilities.

At June 30, 2012, the District's fund balance in the general fund was \$5,002,281. Remaining fund balance represented 10.69 percent of 2011-12 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				
	2012			2011
	Cost	Accumulated depreciation	Net book value	Net book value
Land	\$ 569,711	\$ -	\$ 569,711	\$ 569,711
Land improvements	3,737,808	2,490,341	1,247,467	1,506,180
Buildings and additions	69,260,433	31,215,064	38,045,369	41,942,808
Furniture and equipment	5,180,106	4,593,858	586,248	933,601
Transportation equipment	1,935,002	1,346,051	588,951	702,051
Total	<u>\$ 80,683,060</u>	<u>\$ 39,645,314</u>	<u>\$ 41,037,746</u>	<u>\$ 45,654,351</u>

## **LONG-TERM DEBT**

At June 30, 2012, the District had approximately \$43.4 million in long-term obligations which included \$41,759,411 in outstanding bonded debt. The bonded debt obligation was reduced during the year as \$3,147,289 of previously outstanding bonds were redeemed. In addition to the bonded debt, the District has obligations for accumulated compensated absences and termination benefits estimated at roughly \$1.6 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:

- At the conclusion of the 2011-12 fiscal year, the district consolidated its two comprehensive high schools into one. This change was a difficult one for all involved, but it was done to improve operating efficiency and to offer better programming to students. Early indications are that the change was warmly received, as preliminary 2012-13 enrollment figures are above projections. How this change plays out during the coming years will be very important for the district's future.
- 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.
- Union agreements expire August 15, 2013. The district will begin bargaining new agreement during the 2012-13 fiscal year. A constitutional amendment on the November 2012 ballot could have a dramatic impact on the bargaining process.

## **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, 2012**

<b>ASSETS</b>	<b><u>Governmental activities</u></b>
<b>CURRENT ASSETS:</b>	
Cash	\$ 5,507,832
Receivables:	
Accounts receivable	13,922
Current portion of land contract receivable	38,406
Taxes receivable	2,769
Due from other governmental units	7,024,704
Due from student activities	19,461
Inventories	49,553
Prepaid expenditures	<u>241,496</u>
<b>TOTAL CURRENT ASSETS</b>	<b><u>12,898,143</u></b>
<b>NONCURRENT ASSETS:</b>	
Land contract receivable	387,720
Deferred charges, net of amortization	282,226
Capital assets	80,683,060
Less accumulated depreciation	<u>(39,645,314)</u>
<b>TOTAL NONCURRENT ASSETS</b>	<b><u>41,707,692</u></b>
<b>TOTAL ASSETS</b>	<b><u><u>\$ 54,605,835</u></u></b>

<b>LIABILITIES AND NET ASSETS</b>	<b>Governmental activities</b>
<b>CURRENT LIABILITIES:</b>	
Accounts payable	\$ 239,110
Accrued salaries and related items	3,935,637
Due to other governmental units	1,550,167
Accrued interest	315,581
Unearned revenue	235,400
Current portion of long-term obligations	3,302,635
Current portion of compensated absences and termination benefits	105,157
	<hr/>
<b>TOTAL CURRENT LIABILITIES</b>	<b>9,683,687</b>
	<hr/>
<b>NONCURRENT LIABILITIES:</b>	
Noncurrent portion of long-term obligations	38,456,776
Noncurrent portion of compensated absences and termination benefits	1,532,474
	<hr/>
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>39,989,250</b>
	<hr/>
<b>TOTAL LIABILITIES</b>	<b>49,672,937</b>
	<hr/>
<b>NET ASSETS:</b>	
Invested in capital assets, net of related debt	(439,439)
Restricted for:	
Debt service	45,400
Food service	244,498
Unrestricted	5,082,439
	<hr/>
<b>TOTAL NET ASSETS</b>	<b>4,932,898</b>
	<hr/>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 54,605,835</b>
	<hr/> <hr/>

**WYOMING PUBLIC SCHOOLS  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2012**

<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	\$ 29,100,009	\$ 45,098	\$ 10,878,163	\$ (18,176,748)
Support services	16,988,040	407,820	1,768,536	(14,811,684)
Community services	116,032	-	-	(116,032)
Outgoing transfers and other transactions	1,203,414	-	-	(1,203,414)
Food services	2,323,843	421,958	2,108,026	206,141
Loss on sale of capital assets	2,264,520	-	-	(2,264,520)
Interest on long-term debt	1,997,521	-	10,948	(1,986,573)
Total governmental activities	<u>\$ 53,993,379</u>	<u>\$ 874,876</u>	<u>\$ 14,765,673</u>	<u>(38,352,830)</u>
General revenues:				
Property taxes, levied for general purposes				6,029,349
Property taxes, levied for debt service				4,944,317
Investment earnings				53,998
State sources				25,868,255
Federal sources - unrestricted				1,239,220
Other				<u>1,125,257</u>
Total general revenues				<u>39,260,396</u>
<b>CHANGE IN NET ASSETS</b>				907,566
<b>NET ASSETS, beginning of year</b>				<u>4,025,332</u>
<b>NET ASSETS, end of year</b>				<u><u>\$ 4,932,898</u></u>



**WYOMING PUBLIC SCHOOLS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2012**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Other nonmajor governmental funds</u>	<u>Total governmental funds</u>
<b>ASSETS</b>				
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 3,461,785	\$ 1,111,790	\$ 934,257	\$ 5,507,832
Receivables:				
Property taxes receivable	2,769		-	2,769
Accounts receivable	13,922		-	13,922
Land contract receivable		426,126	-	426,126
Due from other governmental units	6,974,374		50,330	7,024,704
Due from other funds	226,563		-	226,563
Due from student activities	19,461		-	19,461
Inventories	19,680		29,873	49,553
Prepaid expenditures	91,496		150,000	241,496
<b>TOTAL ASSETS</b>	<b>\$ 10,810,050</b>	<b>\$ 1,537,916</b>	<b>\$ 1,164,460</b>	<b>\$ 13,512,426</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts payable	\$ 204,776	\$ -	\$ 34,334	\$ 239,110
Accrued salaries and related items	3,914,917		20,720	3,935,637
Due to other governmental units	1,460,809		89,358	1,550,167
Due to other funds	-		226,563	226,563
Unearned revenue	227,267	426,126	8,133	661,526
<b>TOTAL LIABILITIES</b>	<b>5,807,769</b>	<b>426,126</b>	<b>379,108</b>	<b>6,613,003</b>
<b>FUND BALANCES:</b>				
Nonspendable:				
Inventories	19,680		29,873	49,553
Prepaid expenditures	91,496		150,000	241,496

See notes to financial statements.

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Other nonmajor governmental funds</u>	<u>Total governmental funds</u>
<b>FUND BALANCES:</b>				
Restricted for:				
Debt service	-	-	\$ 360,981	\$ 360,981
Food service	-	-	244,498	244,498
Assigned for:				
Capital projects	-	1,111,790	-	1,111,790
Subsequent years expenditures	279,824			279,824
Unassigned	4,611,281	-	-	4,611,281
	<u>5,002,281</u>	<u>1,111,790</u>	<u>785,352</u>	<u>6,899,423</u>
<b>TOTAL FUND BALANCES</b>				
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 10,810,050</u>	<u>\$ 1,537,916</u>	<u>\$ 1,164,460</u>	<u>\$ 13,512,426</u>
				<u>\$ 6,899,423</u>
<b>Total governmental fund balances</b>				
Amounts reported for governmental activities in the statement of net assets are differed because:				
Value of amortized bond issuance costs			\$ 431,059	
Accumulated amortization			<u>(148,833)</u>	282,226
The land contract receivable generated from the sale of property is recognized as revenue on the Statement of Activities in the year of sale.				426,126
Capital assets used in governmental activities are not financial resources and are not reported in the funds				
The cost of the capital assets is			80,683,060	
Accumulated depreciation is			<u>(39,645,314)</u>	41,037,746
Long-term liabilities are not due and payable in the current period and are not reported in the funds:				
Bonds payable				(41,759,411)
Compensated absences and termination benefits				(1,637,631)
Accrued interest is not included as a liability in government funds, it is recorded when paid				<u>(315,581)</u>
<b>Net assets of governmental activities</b>				<u>\$ 4,932,898</u>

See notes to financial statements.

**WYOMING PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Other nonmajor governmental funds</u>	<u>Total governmental funds</u>
<b>REVENUES:</b>				
Local sources:				
Property taxes	\$ 6,034,349	-	\$ 4,944,317	\$ 10,978,666
Tuition	86,024	-	-	86,024
Investment earnings	36,165	1,037	16,796	53,998
Food sales, athletics, and community service	66,504	-	421,958	488,462
Other	1,265,559	100,629	3,325	1,369,513
Total local sources	7,488,601	101,666	5,386,396	12,976,663
State sources	29,834,033	-	203,544	30,037,577
Federal sources	6,043,242	-	2,027,719	8,070,961
Incoming transfers and other	3,862,259	-	-	3,862,259
Total revenues	<u>47,228,135</u>	<u>101,666</u>	<u>7,617,659</u>	<u>54,947,460</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	28,827,239	-	-	28,827,239
Supporting services	16,683,236	-	-	16,683,236
Food service activities	-	-	2,211,590	2,211,590
Community service activities	96,594	-	-	96,594
Outgoing transfers and other transactions	1,203,414	-	-	1,203,414
Capital outlay	-	-	9,348	9,348

See notes to financial statements.

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Other nonmajor governmental funds</u>	<u>Total governmental funds</u>
<b>EXPENDITURES (Concluded)</b>				
Debt service:				
Principal repayment	\$ -	-	\$ 3,147,289	\$ 3,147,289
Interest	-	-	2,017,780	2,017,780
Other	-	-	1,063	1,063
Total expenditures	<u>46,810,483</u>	<u>-</u>	<u>7,387,070</u>	<u>54,197,553</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>417,652</u>	<u>101,666</u>	<u>230,589</u>	<u>749,907</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from sale of capital assets	-	402,727	-	402,727
Transfers in	75,000	-	4,345	79,345
Transfers out	<u>(4,345)</u>	<u>-</u>	<u>(75,000)</u>	<u>(79,345)</u>
Total other financing sources (uses)	<u>70,655</u>	<u>402,727</u>	<u>(70,655)</u>	<u>402,727</u>
<b>NET CHANGE IN FUND BALANCES</b>	488,307	504,393	159,934	1,152,634
<b>FUND BALANCES:</b>				
Beginning of year	<u>4,513,974</u>	<u>607,397</u>	<u>625,418</u>	<u>5,746,789</u>
End of year	<u>\$ 5,002,281</u>	<u>\$ 1,111,790</u>	<u>\$ 785,352</u>	<u>\$ 6,899,423</u>

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, 2012**

<b>Net change in fund balances total governmental funds</b>	<b>\$ 1,152,634</b>
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	(1,943,858)
Unrecovered cost on disposal of capital assets	(2,672,747)
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	335,840
Accrued interest payable, end of the year	(315,581)
Collections on the land contract receivable are revenues in the governmental funds, but decrease noncurrent assets in the Statement of Net Assets.	(28,134)
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	3,147,289
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:	
Unearned revenue, beginning of the year	(12,881)
Unearned revenue, end of the year	-
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	2,884,794
Accrued compensated absences and termination benefits, end of the year	(1,637,631)
<b>Change in net assets of governmental activities</b>	<b>\$ 907,566</b>

**WYOMING PUBLIC SCHOOLS  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
JUNE 30, 2012**

	<u>Agency fund</u>
<b>ASSETS:</b>	
Cash	<u>\$ 324,036</u>
<b>LIABILITIES:</b>	
Accounts payable	\$ 25,994
Accounts payable - primary government	19,461
Due to student and other groups	<u>278,581</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 324,036</u>

**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 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.

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

**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.



**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**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).

**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.

**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**

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, 2012, the Foundation allowance was based on pupil membership counts taken in February and September of 2011.

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 2011 to August 2012. 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 unearned 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, 2012, 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	5.69

**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. 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.

9. Fund Equity

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:

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Other Accounting Policies (Continued)**

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.

**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.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Concluded)**

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, 2012. The District does not consider these amendments to be significant.

**NOTE 3 - DEPOSITS AND INVESTMENTS**

The District had no investments at June 30, 2012.

**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, 2012, 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.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 3 - DEPOSITS AND INVESTMENTS (Concluded)**

**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, 2012, \$5,832,303 of the District's bank balance of \$6,082,303 was exposed to custodial credit risk because it was uninsured and uncollateralized. The carrying amount is \$5,831,868.

**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, 2012, the carrying amount is as follows:

Deposits - including fiduciary funds of \$324,036	<u><u>\$ 5,831,868</u></u>
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The above amounts are reported in the financial statements as follows:

Fiduciary Fund	\$ 324,036
Government wide:	
Current assets:	
Cash	<u>5,507,832</u>
	<u><u>\$ 5,831,868</u></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, 2011	Additions	Deletions (Reclassifications)	Balance June 30, 2012
Assets not being depreciated:				
Land	\$ 569,711	\$ -	\$ -	\$ 569,711
Other capital assets:				
Land improvements	3,811,656	-	73,848	3,737,808
Buildings and additions	73,487,082	-	4,226,649	69,260,433
Furniture and equipment	5,272,825	-	92,719	5,180,106
Transportation equipment	2,063,848	-	128,846	1,935,002
Subtotal	<u>84,635,411</u>	<u>-</u>	<u>4,522,062</u>	<u>80,113,349</u>
Accumulated depreciation:				
Land improvements	2,305,476	239,337	54,472	2,490,341
Buildings and additions	31,544,274	1,244,068	1,573,278	31,215,064
Furniture and equipment	4,339,224	347,353	92,719	4,593,858
Transportation equipment	1,361,797	113,100	128,846	1,346,051
Total accumulated depreciation	<u>39,550,771</u>	<u>1,943,858</u>	<u>1,849,315</u>	<u>39,645,314</u>
Net capital assets being depreciated	<u>45,084,640</u>	<u>(1,943,858)</u>	<u>2,672,747</u>	<u>40,468,035</u>
Net governmental capital assets	<u>\$ 45,654,351</u>	<u>\$ (1,943,858)</u>	<u>\$ 2,672,747</u>	<u>\$ 41,037,746</u>

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

Governmental activities:	
Food service	\$ 97,193
Community service	19,438
Support services	466,526
Instruction	<u>1,360,701</u>
Total governmental activities	<u>\$ 1,943,858</u>

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 - RECEIVABLES**

Receivables at June 30, 2012 consist of the following:

	Governmental funds
Other governmental units:	
State aid	\$ 5,326,013
Federal revenue	1,083,026
ISD and other	615,665
	\$ 7,024,704

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, 2012:

	Accumulated compensated absences and termination benefits	Bonds and other debt	Total
Balance, July 1, 2011	\$ 2,884,794	\$ 44,930,007	\$ 47,814,801
Additions	-	-	-
Deletions	(1,247,163)	(3,170,596)	(4,417,759)
Balance, June 30, 2012	1,637,631	41,759,411	43,397,042
Less current portion	105,157	3,302,635	3,407,792
Total due after one year	\$ 1,532,474	\$ 38,456,776	\$ 39,989,250

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 6 - LONG-TERM DEBT (Continued)**

Bonds payable at June 30, 2012 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 3.45% to 4.35%	\$ 835,000
2005 refunding bonds due in annual installments of \$1,865,000 to \$1,900,000 through May 1, 2023 with interest of 5.00%	20,830,000
2007 building and site bonds due in annual installments of \$700,000 to \$1,950,000 through May 1, 2022 with interest from 4.00% to 5.50%	12,850,000
2009 refunding bonds due in annual installments of \$550,000 to \$815,000 through May 1, 2022 with interest from 2.75% to 3.75%	6,830,000
Less deferred amounts on bond refunding	(1,015,330)
Less unamortized discount	(144,580)
Plus: premium on bond refunding	<u>1,456,686</u>
Total general obligation debt	41,641,776
Limited obligation (Durant) non-plaintiff bonds final installment of \$117,635 due in November 2013 with an interest rate of 4.76%. Certain State Aid payments have been pledged as security.	<u>117,635</u>
Total bonded debt	41,759,411
Obligation under contract for compensated absences and termination benefits	<u>1,637,631</u>
Total general long-term debt	<u><u>\$ 43,397,042</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, 2012, \$29,030,000 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, 2012, including interest payments of \$11,711,920 are as follows:

Year ending June 30,	Principal	Interest	Amounts payable
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	3,835,000	1,264,454	5,099,454
2018 - 2022	21,920,000	3,544,952	25,464,952
2023	1,900,000	95,000	1,995,000
	41,462,635	11,711,920	53,174,555
Deferred loss on bond refunding	(1,015,330)	-	(1,015,330)
Discounts on bond refunding	(144,580)	-	(144,580)
Premium on bond refunding	1,456,686	-	1,456,686
Accumulated compensated absences and termination benefits	1,637,631	-	1,637,631
	<u>\$ 43,397,042</u>	<u>\$ 11,711,920</u>	<u>\$ 55,108,962</u>

**NOTE 7 - INTERFUND RECEIVABLES AND PAYABLES**

Interfund payable and receivable balances at June 30, 2012 are as follows:

Receivable fund		Payable fund	
General fund	\$ 226,563	Debt service	\$ 7,369
		Special revenue	219,194
	<u>\$ 226,563</u>		<u>\$ 226,563</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 - DEFINED BENEFIT PENSION PLAN AND POSTEMPLOYMENT BENEFITS**

Plan Description - The District participates in 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. It is also available at <http://www.michigan.gov/orsschools>.

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. For the period October 1 through September 30, the School District pays an amount equal to a percentage of its employees' wages to the Michigan Public School Employees Retirement System ("MPSERS"), which is administered by the State of Michigan. These contributions are required by law and are calculated by using the contribution rates and periods provided in the table below of the employees' wages. In addition, the District is required to match 50% up to 1% of the employee's 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 District contributions to MPSERS were equal to the required contribution for those years.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 - DEFINED BENEFIT PENSION PLAN AND POSTEMPLOYMENT BENEFITS  
(Continued)**

The School District's contributions to MPSERS are as follows:

Contribution Period	Contribution Rate	
	Member	Pension Plus Member
October 1, 2011 - September 30, 2012	24.46%	23.23%
November 1, 2010 - September 30, 2011	20.66%	19.16%
October 1, 2010 - October 31, 2010	19.41%	17.91%
October 1, 2009 - September 30, 2010	16.94%	-
July 1, 2010 - September 30, 2010	-	15.44%
 Fiscal Year Ending June 30,		 Contributions to MPSERS
2012		\$ 5,539,781
2011		4,992,215
2010		4,792,032

Other Post-employment Benefits - Benefit provisions of the postemployment healthcare plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions. 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.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 - DEFINED BENEFIT PENSION PLAN AND POSTEMPLOYMENT BENEFITS  
(Concluded)**

On June 28, 2010, the Michigan Court of Claims issued an injunction in response to a challenge to the authority of the State to require employees who began working before July 1, 2010, to contribute 3% of reportable wages to the retiree health care trust at MPSERS. As a result, the State has adjusted the contribution rate due on employees' wages paid between November 1, 2010 and September 30, 2011 to 20.66% for members who first worked prior to July 1, 2010 and 19.16% for Pension Plus members. In March 2011, the Court of Claims granted the plaintiffs' motions for summary disposition finding that the mandatory 3% contribution violated both the U.S. and Michigan constitutions. The State appealed the ruling to the Michigan Court of Appeals. The Court of Appeals accepted the appeal and ordered an expedited review. The Court of Appeals also granted the State's motion for a stay of proceedings and ordered that the 3% deduction continue to be collected and placed into an escrow account until further order of the Court.

On August 16, 2012 the State of Michigan Court of Appeals affirmed the trial court's orders granting summary dispositions in favor of the plaintiffs in each of the cases before it, terminating the stay ordered by this Court on March 18, 2011. The State of Michigan has appealed the decision to the Michigan Supreme Court. The Office of Retirement Services is instructing Michigan public school employers to continue withholding the 3% contribution. Should the plaintiffs prevail; the escrowed funds will be returned to the employees.

Pension recipients are generally eligible for Health Plan coverage and 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.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 9 - RISK MANAGEMENT (Concluded)**

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.

**NOTE 10 - TRANSFERS**

The food service fund transferred \$75,000 to the general fund. The transfer from the food service fund was made to allocate indirect costs between the funds. The general fund transferred \$4,345 to the food service fund. The transfer from the general fund was made to subsidize operations between 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 - UPCOMING ACCOUNTING PRONOUNCEMENTS**

The District is currently evaluating the impact the following standards will have on the financial statements when adopted in future fiscal years 2013 through 2015.

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, was issued in December 2010. This statement incorporates into the GASB literature certain accounting and financial reporting guidance issued on or before November 30, 1989 that is included in FASB Statements and Interpretations, APB Opinions and Accounting Research Bulletins of the AICPA Committee on Accounting Procedure.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*, was issued by the GASB in June 2011 and will be effective for the District's 2013 fiscal year. The statement incorporates deferred outflows of resources and deferred inflows of resources, as defined by GASB Concepts Statement No. 4, into the definitions of the required components of the residual measure of net position, formerly net assets. This statement also provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Once implemented, this statement will impact the format and reporting of the balance sheet at the government-wide level and also at the fund level.



**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 12 - UPCOMING ACCOUNTING PRONOUNCEMENTS Concluded)**

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, was issued by the GASB in March 2012 and will be effective for the District's 2013 fiscal year. The statement incorporates deferred outflows of resources and deferred inflows of resources, as defined by GASB Concepts Statement No. 4, into the definitions of the required components of the residual measure of net position, formerly net assets. This statement provides supplemental guidance when implementing GASB Statement 63.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, was issued by the GASB in June 2012 and will be effective for the District's 2015 fiscal year. The statement requires governments that participate in defined benefit pension plans to report in their statement of net position a net pension liability. The net pension liability is the difference between the total pension liability (the present value of projected benefit payments to employees based on their past service) and the assets (mostly investments reported at fair value) set aside in a trust and restricted to paying benefits to current employees, retirees, and their beneficiaries. Statement 68 requires cost-sharing employers to record a liability and expense equal to their proportionate share of the collective net pension liability and expense for the cost-sharing plan. The Statement also will improve the comparability and consistency of how governments calculate the pension liabilities and expense.

**REQUIRED SUPPLEMENTARY INFORMATION**

**WYOMING PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED JUNE 30, 2012**

	<b>Original budget</b>	<b>Final budget</b>	<b>Actual</b>	<b>Variance with final budget</b>
<b>REVENUES:</b>				
Local sources	\$ 7,824,283	\$ 7,435,212	\$ 7,488,601	\$ 53,389
State sources	30,750,198	29,866,846	29,834,033	(32,813)
Federal sources	5,769,162	6,637,845	6,043,242	(594,603)
Incoming transfers and other	1,935,000	3,858,040	3,862,259	4,219
Total revenues	<u>46,278,643</u>	<u>47,797,943</u>	<u>47,228,135</u>	<u>(569,808)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction:				
Basic programs	22,106,527	20,273,710	20,290,038	(16,328)
Added needs	6,776,419	8,365,415	8,288,880	76,535
Adult education	220,554	251,945	248,321	3,624
Total instruction	<u>29,103,500</u>	<u>28,891,070</u>	<u>28,827,239</u>	<u>63,831</u>
Supporting services:				
Pupil	2,753,267	3,030,443	2,945,117	85,326
Instructional staff	1,916,879	2,517,710	2,177,206	340,504
General administration	636,107	513,062	513,107	(45)
School administration	2,500,715	2,185,179	2,190,650	(5,471)
Business	634,270	431,380	423,150	8,230
Operation/maintenance	3,066,783	3,493,734	3,485,201	8,533
Pupil transportation	2,539,687	2,677,573	2,651,338	26,235
Central	1,087,435	1,581,474	1,521,207	60,267
Athletics	850,000	837,099	776,260	60,839
Total supporting services	<u>15,985,143</u>	<u>17,267,654</u>	<u>16,683,236</u>	<u>584,418</u>
Community services	155,000	141,688	96,594	45,094
Outgoing transfers and other transactions	1,110,000	1,296,635	1,203,414	93,221
Total expenditures	<u>46,353,643</u>	<u>47,597,047</u>	<u>46,810,483</u>	<u>786,564</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(75,000)</u>	<u>200,896</u>	<u>417,652</u>	<u>216,756</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	75,000	75,000	75,000	-
Transfers out	-	(4,345)	(4,345)	-
Total other financing sources	<u>75,000</u>	<u>70,655</u>	<u>70,655</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ 271,551</u>	<u>488,307</u>	<u>\$ 216,756</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>4,513,974</u>	
End of year			<u>\$ 5,002,281</u>	

**ADDITIONAL SUPPLEMENTARY INFORMATION**

**WYOMING PUBLIC SCHOOLS  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
YEAR ENDED JUNE 30, 2012**

	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget</u>
<b>LOCAL SOURCES:</b>			
Property taxes	\$ 6,375,270	\$ 6,034,349	\$ (340,921)
Tuition	75,198	86,024	10,826
Investment earnings	24,740	36,165	11,425
Athletics	63,849	66,504	2,655
Other local revenue	896,155	1,265,559	369,404
<b>TOTAL LOCAL SOURCES</b>	<u>7,435,212</u>	<u>7,488,601</u>	<u>53,389</u>
<b>STATE SOURCES:</b>			
Foundation grant	25,594,254	25,584,809	(9,445)
Categoricals	4,203,554	4,180,186	(23,368)
Other state revenue	69,038	69,038	-
<b>TOTAL STATE SOURCES</b>	<u>29,866,846</u>	<u>29,834,033</u>	<u>(32,813)</u>
<b>FEDERAL SOURCES:</b>			
Title I	1,916,917	1,472,454	(444,463)
Title II - improving teacher quality	279,722	177,239	(102,483)
IDEA special education	1,231,170	1,231,170	-
21st century	1,211,337	1,185,674	(25,663)
ARRA Stabilization	1,239,220	1,239,220	-
Other federal revenue	759,479	737,485	(21,994)
<b>TOTAL FEDERAL SOURCES</b>	<u>6,637,845</u>	<u>6,043,242</u>	<u>(594,603)</u>
<b>INCOMING TRANSFERS AND OTHER TRANSACTIONS:</b>			
Special education	3,235,849	3,566,639	330,790
Other	622,191	295,620	(326,571)
<b>TOTAL INCOMING TRANSFERS AND OTHER TRANSACTIONS</b>	<u>3,858,040</u>	<u>3,862,259</u>	<u>4,219</u>
<b>TOTAL REVENUES</b>	<u>47,797,943</u>	<u>47,228,135</u>	<u>(569,808)</u>
<b>OTHER FINANCING SOURCES:</b>			
Transfers in	75,000	75,000	-
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 47,872,943</u>	<u>\$ 47,303,135</u>	<u>\$ (569,808)</u>

**WYOMING PUBLIC SCHOOLS  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
YEAR ENDED JUNE 30, 2012**

(with comparative totals for the year ended June 30, 2011)

						Totals		
	Salaries	Employee benefits	Purchased services	Supplies and materials	Capital outlay	Other expenses	2012	2011
<b>Instruction:</b>								
Elementary	\$ 6,458,031	\$ 3,237,549	\$ 140,706	\$ 309,739	\$ -	\$ -	\$ 10,146,025	\$ 11,984,630
Middle school	1,864,066	915,522	28,114	48,847	500	1,160	2,858,209	3,200,191
High school	4,317,853	2,049,809	177,497	147,407	78,018	7,066	6,777,650	7,753,496
Preschool	254,921	120,816	8,470	17,437	-	-	401,644	455,703
Summer school	46,381	16,009	36,982	7,138	-	-	106,510	103,880
Special education	2,669,531	1,393,842	46,027	24,748	-	1,183,264	5,317,412	5,492,827
Compensatory education	1,813,353	850,450	150,078	61,230	-	-	2,875,111	1,330,958
Vocational education	60,751	27,910	-	5,709	-	1,987	96,357	91,554
Adult education	164,639	70,980	1,495	11,207	-	-	248,321	214,969
<b>Total instruction</b>	<b>17,649,526</b>	<b>8,682,887</b>	<b>589,369</b>	<b>633,462</b>	<b>78,518</b>	<b>1,193,477</b>	<b>28,827,239</b>	<b>30,628,208</b>
<b>Supporting services:</b>								
Pupil services	424,128	204,731	5,007	13,001	-	2,298,250	2,945,117	3,050,237
Instructional staff services	1,053,535	478,519	282,141	86,576	267,749	8,686	2,177,206	1,908,441
General administration	259,763	113,254	127,668	5,358	2,597	4,467	513,107	715,634
School administration	1,342,923	819,985	4,011	23,564	-	167	2,190,650	2,483,578
Business services	240,778	147,698	2,193	4,464	3,918	24,099	423,150	634,008
Operations and maintenance	944,849	700,858	810,810	803,719	223,399	1,566	3,485,201	3,514,706
Transportation	577,520	446,565	74,602	358,724	-	1,193,927	2,651,338	2,734,259
Central services	462,530	291,947	504,813	25,681	235,028	1,208	1,521,207	1,126,448
Athletics	303,763	124,492	247,081	45,908	487	54,529	776,260	858,969
<b>Total support services</b>	<b>5,609,789</b>	<b>3,328,049</b>	<b>2,058,326</b>	<b>1,366,995</b>	<b>733,178</b>	<b>3,586,899</b>	<b>16,683,236</b>	<b>17,026,280</b>
Community services	11,944	8,077	60,044	7,219	-	9,310	96,594	140,408
Outgoing transfers and other transactions	-	-	-	-	-	1,203,414	1,203,414	1,109,367
<b>Total expenditures</b>	<b>\$ 23,271,259</b>	<b>\$ 12,019,013</b>	<b>\$ 2,707,739</b>	<b>\$ 2,007,676</b>	<b>\$ 811,696</b>	<b>\$ 5,993,100</b>	<b>\$ 46,810,483</b>	<b>\$ 48,904,263</b>

**WYOMING PUBLIC SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUND TYPES  
JUNE 30, 2012**

	<u>Special revenue</u>		
	<u>Food service</u>	<u>Debt service</u>	<u>Total nonmajor governmental funds</u>
<b>ASSETS</b>			
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 477,039	\$ 457,218	\$ 934,257
Due from other governmental units	50,330	-	50,330
Prepaid expenditures	150,000	-	150,000
Inventories	29,873	-	29,873
<b>TOTAL ASSETS</b>	<u>\$ 707,242</u>	<u>\$ 457,218</u>	<u>\$ 1,164,460</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
Accounts payable	\$ 34,334	\$ -	\$ 34,334
Accrued salaries and related items	20,720	-	20,720
Due to other governmental units	490	88,868	89,358
Due to other funds	219,194	7,369	226,563
Unearned revenue	8,133	-	8,133
<b>TOTAL LIABILITIES</b>	<u>282,871</u>	<u>96,237</u>	<u>379,108</u>
<b>FUND BALANCES:</b>			
Nonspendable:			
Inventories	29,873	-	29,873
Prepaid expenditures	150,000	-	150,000
Restricted for:			
Debt service	-	360,981	360,981
Food service	244,498	-	244,498
<b>TOTAL FUND BALANCES</b>	<u>424,371</u>	<u>360,981</u>	<u>785,352</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 707,242</u>	<u>\$ 457,218</u>	<u>\$ 1,164,460</u>

**WYOMING PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUND TYPES  
YEAR ENDED JUNE 30, 2012**

	<u>Special revenue</u>		<b>Total nonmajor governmental funds</b>
	<u>Food service</u>	<u>Debt service</u>	
<b>REVENUES:</b>			
Local sources:			
Property taxes	\$ -	\$ 4,944,317	\$ 4,944,317
Investment earnings	1,652	15,144	16,796
Food sales	421,958	-	421,958
Other	3,325	-	3,325
Total local sources	<u>426,935</u>	<u>4,959,461</u>	<u>5,386,396</u>
State sources	80,307	123,237	203,544
Federal sources	<u>2,027,719</u>	<u>-</u>	<u>2,027,719</u>
Total revenues	<u>2,534,961</u>	<u>5,082,698</u>	<u>7,617,659</u>
<b>EXPENDITURES:</b>			
Current:			
Food service activities	2,211,590	-	2,211,590
Capital outlay	9,348	-	9,348
Debt service:			
Principal repayment	-	3,147,289	3,147,289
Interest expense	-	2,017,780	2,017,780
Other expense	-	1,063	1,063
Total expenditures	<u>2,220,938</u>	<u>5,166,132</u>	<u>7,387,070</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>314,023</u>	<u>(83,434)</u>	<u>230,589</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	4,345	-	4,345
Transfers out	<u>(75,000)</u>	<u>-</u>	<u>(75,000)</u>
Total other financing uses	<u>(70,655)</u>	<u>-</u>	<u>(70,655)</u>
<b>NET CHANGE IN FUND BALANCES</b>	243,368	(83,434)	159,934
<b>FUND BALANCES:</b>			
Beginning of year	<u>181,003</u>	<u>444,415</u>	<u>625,418</u>
End of year	<u>\$ 424,371</u>	<u>\$ 360,981</u>	<u>\$ 785,352</u>



**WYOMING PUBLIC SCHOOLS  
COMBINING DEBT SERVICE FUNDS  
BALANCE SHEET  
JUNE 30, 2012**

	<u>2003</u>	<u>2005</u>	<u>2007</u>	<u>2009</u>	<u>Total Nonmajor</u>
<b>ASSETS</b>					
<b>ASSETS:</b>					
Cash and cash equivalents	<u>\$ 9,609</u>	<u>\$ 174,085</u>	<u>\$ 217,181</u>	<u>\$ 56,343</u>	<u>\$ 457,218</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
Due to other governmental units	\$ 1,859	\$ 51,321	\$ 22,210	\$ 13,478	\$ 88,868
Due to other funds	<u>153</u>	<u>4,490</u>	<u>1,456</u>	<u>1,270</u>	<u>7,369</u>
<b>TOTAL LIABILITIES</b>	<u>2,012</u>	<u>55,811</u>	<u>23,666</u>	<u>14,748</u>	<u>96,237</u>
<b>FUND BALANCES:</b>					
Restricted for debt service	<u>7,597</u>	<u>118,274</u>	<u>193,515</u>	<u>41,595</u>	<u>360,981</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 9,609</u>	<u>\$ 174,085</u>	<u>\$ 217,181</u>	<u>\$ 56,343</u>	<u>\$ 457,218</u>

**WYOMING PUBLIC SCHOOLS  
DEBT SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2012**

	2003	2005	2007	2009	1998 Durant	Total Nonmajor
<b>REVENUES:</b>						
Local sources:						
Property taxes	\$ 103,260	\$ 2,845,166	\$ 1,244,553	\$ 751,338	\$ -	\$ 4,944,317
Interest	324	8,657	3,870	2,293	-	15,144
Total local revenue	103,584	2,853,823	1,248,423	753,631	-	4,959,461
State sources	-	-	-	-	123,237	123,237
Total revenues	103,584	2,853,823	1,248,423	753,631	123,237	5,082,698
<b>EXPENDITURES:</b>						
Redemption of bonds	70,000	1,790,000	650,000	525,000	112,289	3,147,289
Interest on bonded debt	35,475	1,117,575	616,744	237,038	10,948	2,017,780
Other	249	241	324	249	-	1,063
Total expenditures	105,724	2,907,816	1,267,068	762,287	123,237	5,166,132
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(2,140)	(53,993)	(18,645)	(8,656)	-	(83,434)
<b>FUND BALANCES:</b>						
Beginning of year	9,737	172,267	212,160	50,251	-	444,415
End of year	\$ 7,597	\$ 118,274	\$ 193,515	\$ 41,595	\$ -	\$ 360,981

**WYOMING PUBLIC SCHOOLS  
LONG TERM DEBT  
BONDED DEBT - PRINCIPAL AND INTEREST REQUIREMENTS  
JUNE 30, 2012**

2003 Refunding Bonds

Fiscal year	Interest rate	Principal due May 1,	Interest due		Total due annually
			May 1	November 1	
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>\$ 835,000</u>	<u>\$ 99,040</u>	<u>\$ 99,040</u>	<u>\$ 1,033,080</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  
LONG TERM DEBT  
BONDED DEBT - PRINCIPAL AND INTEREST REQUIREMENTS  
JUNE 30, 2012**

2005 Refunding Bonds

Fiscal year	Interest rate	Principal due May 1,	Interest due		Total due annually
			May 1	November 1	
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>\$ 20,830,000</u>	<u>\$ 3,129,750</u>	<u>\$ 3,129,750</u>	<u>\$ 27,089,500</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  
LONG TERM DEBT  
BONDED DEBT - PRINCIPAL AND INTEREST REQUIREMENTS  
JUNE 30, 2012**

2007 School Building and Site Bonds

Fiscal year	Interest rate	Principal due May 1,	Interest due		Total due annually
			May 1	November 1	
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>\$ 12,850,000</u>	<u>\$ 1,877,139</u>	<u>\$ 1,877,139</u>	<u>\$ 16,604,278</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  
LONG TERM DEBT  
BONDED DEBT - PRINCIPAL AND INTEREST REQUIREMENTS  
JUNE 30, 2012**

2009 Refunding Bonds

Fiscal year	Interest rate	Principal due May 1,	Interest due		Total due annually
			May 1	November 1	
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>\$ 6,830,000</u>	<u>\$ 688,413</u>	<u>\$ 688,413</u>	<u>\$ 8,206,826</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  
LONG TERM DEBT  
BONDED DEBT - PRINCIPAL AND INTEREST REQUIREMENTS  
JUNE 30, 2012**

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

Principal due May 15,	Interest due May 15,	Debt service requirement	
		June 30,	Amount
\$ 117,635	\$ 5,601	2013	\$ 123,236

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.

**WYOMING PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2012**

Federal CFDA number	Pass-through grantor's number	Approved grant award amount	Accrued (deferred) revenue July 1, 2011	Prior year expenditures (memo only)	Current year expenditures	Current year cash receipts	Accrued (deferred) revenue June 30, 2012	
U.S. Department of Agriculture:								
Passed through Michigan Department of Education:								
Child Nutrition Cluster:								
Non-Cash Assistance (Donated Foods):								
10.555		\$ 8,257	\$ -	\$ -	\$ 8,257	\$ 8,257	\$ -	
10.555		110,499	-	-	110,441	110,441	-	
		118,756	-	-	118,698	118,698	-	
		Non-Cash Assistance Subtotal						-
Cash Assistance:								
10.553	111970	401,638	5,624	401,637	55,758	61,382	-	
10.553	121970	477,707	-	-	477,706	477,706	-	
		879,345	5,624	401,637	533,464	539,088	-	
10.555	111950	14,968	1,447	124,086	-	1,447	-	
10.555	111960	866,898	9,159	866,899	132,369	141,528	-	
10.555	121960	1,056,647	-	-	1,056,647	1,056,647	-	
		1,938,513	10,606	990,985	1,189,016	1,199,622	-	
10.559	100900-1011	84,363	39,881	84,363	-	39,881	-	
10.559	110900-1111	78,433	-	-	78,433	44,725	33,708	
10.559	101900-1011	7,155	3,378	7,155	-	3,378	-	
10.559	111900-1111	6,607	-	-	6,607	3,762	2,845	
		176,558	43,259	91,518	85,040	91,746	36,553	
		2,994,416	59,489	1,484,140	1,807,520	1,830,456	36,553	
		3,113,172	59,489	1,484,140	1,926,218	1,949,154	36,553	
		Cash Assistance Subtotal						-
		Total Child Nutrition Cluster						-

The accompanying notes are an integral part of this schedule.





**WYOMING PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2012**

Federal CFDA number	Pass-through grantor's number	Approved grant award amount	Accrued (deferred) revenue July 1, 2011	Prior year expenditures (memo only)	Current year expenditures	Current year cash receipts	Accrued (deferred) revenue June 30, 2012
U.S. Department of Education (Continued):							
Passed through Michigan Department of Education (Continued):							
Title IIA							
Title IIA							
84.367	110520-1011	\$ 334,227	\$ 100,774	\$ 262,949	\$ -	\$ 100,774	\$ -
84.367	120520-1112	282,138	-	-	177,239	132,550	44,689
		616,365	100,774	262,949	177,239	233,324	44,689
84.365A	110580-1011	200,441	38,649	38,649	-	38,649	-
84.365A	120580-1112	299,210	-	-	295,032	244,003	51,029
84.365A	110570-1011	42,287	11,189	11,189	-	11,189	-
84.365A	120570-1112	49,098	-	-	27,030	13,666	13,364
		591,036	49,838	49,838	322,062	307,507	64,393
84.287C	112110-D07058	298,780	146,945	293,331	-	146,945	-
84.287C	112110-E08010	747,739	300,034	743,035	-	300,034	-
84.287C	112110-F09069	299,411	129,767	293,401	-	129,767	-
84.287C	122110-D07058	268,780	-	-	251,938	196,703	55,235
84.287C	122110-E08010	672,965	-	-	667,875	518,126	149,749
84.287C	122110-F09069	269,470	-	-	265,861	186,304	79,557
		2,557,145	576,746	1,329,767	1,185,674	1,477,879	284,541

The accompanying notes are an integral part of this schedule.



**WYOMING PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2012**

Federal CFDA number	Pass-through grantor's number	Approved grant award amount	Accrued (deferred) revenue July 1, 2011	Prior year expenditures (memo only)	Current year expenditures	Current year cash receipts	Accrued (deferred) revenue June 30, 2012
<b>U.S. Department of Education (Concluded):</b>							
Passed through Kent Intermediate School District (KISD) (Concluded):							
Title I Accountability							
84.377A	81761	\$ 165,400	\$ -	\$ -	\$ 92,140	\$ 92,140	\$ -
84.010A	111570-1011	41,026	-	-	41,026	41,026	-
84.196	122320-1112	2,361	-	-	2,361	2,361	-
Total passed through Kent Intermediate School District							
Total U.S. Department of Education							
<b>U.S. Department of Health and Human Services:</b>							
Passed through Michigan Department of Education:							
93.558	112130-SE1105 3	40,094	3,398	3,398	35,000	38,398	-
93.558	112130-SE1105 4	85,593	10,319	10,319	72,796	83,115	-
93.558	112130-SE1105 5	99,203	7,719	7,719	79,726	87,445	-
Total TANF							
Passed through Kent Intermediate School District (KISD):							
93.778	1112	4,546	-	-	4,546	4,546	-
Medicaid Outreach							
Total U.S. Department of Health and Human Services							
<b>TOTAL FEDERAL AWARDS</b>							
		\$ 16,985,347	\$ 1,782,964	\$ 6,576,113	\$ 8,063,080	\$ 8,763,018	\$ 1,083,026

The accompanying notes are an integral part of this schedule.

**WYOMING PUBLIC SCHOOLS  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2012**

1. Basis of presentation - The accompanying schedule of expenditures of federal awards includes the grant activity of Wyoming Public Schools and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with OMB Circular A-133 and reconciles with the amounts presented in the preparation of the financial statements.
2. Education Jobs Fund (CFDA #84.410), Title I (CFDA #84.010), National School Lunch (CFDA #10.553, #10.555, and #10.559), and the Title III Cluster (CFDA #84.365A) were audited as the major programs, representing 61% of expenditures.
3. The threshold for distinguishing Type A and Type B programs was \$300,000.
4. Management has utilized the Grant Audit Report in preparing the Schedule of Expenditures of Federal Awards.
5. Federal expenditures are reported as revenue in the following funds in the financial statements:

General fund	\$ 6,043,242
Other nonmajor governmental fund	2,027,719
Total per financial statements	<u>8,070,961</u>
Less: Prior year unearned Title I revenue	<u>(7,881)</u>
Total adjusted revenue per financial statements	<u>\$ 8,063,080</u>
Total expenditures reported on the Schedule of Expenditures of Federal Awards	<u>\$ 8,063,080</u>
Donated food: Great Lakes Co-op	
Entitlement award	\$ 110,441
Bonus	<u>8,257</u>
	<u>\$ 118,698</u>

6. Total clusters from multiple funding sources:

Title I Cluster:

Total passed through Michigan Department of Education:	
Title I (CFDA #84.010)	\$ 1,331,407
Total passed through Kent Intermediate School District:	
Title I Regional Assistance (CFDA #84.010A)	<u>41,026</u>
	<u>\$ 1,372,433</u>