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## INDEPENDENT AUDITOR'S REPORT

To the Board of Education  
Wyoming Public Schools

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wyoming Public Schools, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### *Opinions*

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

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wyoming Public Schools basic financial statements. The additional supplementary information, as identified in the table of contents, and schedule of expenditures of federal awards as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial 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 basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2014 on our consideration of Wyoming Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wyoming Public Schools' internal control over financial reporting and compliance.

*Maney Costeiran PC*

October 3, 2014

## 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, 2014. Please read it in conjunction with the District’s financial statements which immediately follow this section.

### **FINANCIAL OVERVIEW**

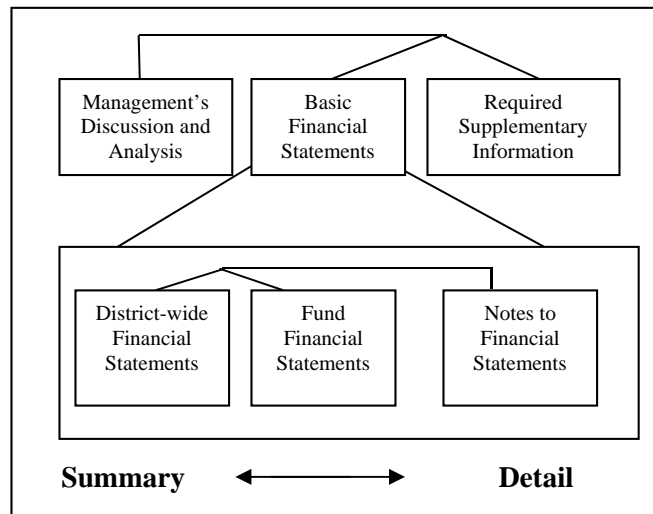
- The District’s general fund financial situation declined from the 2013 fiscal year to 2014.
- For the 2013-14 school year, fund balance in the general fund was decreased by \$474,215.
- During the 2013-14 school year compared to 2012-13, general fund revenues decreased by \$1,709,691 (3.69 percent), while expenditures decreased by \$1,082,708 (2.34 percent).
- General education student enrollment decreased by 251 students from October of 2012 to October of 2013. This represents a decline of approximately 5.4 percent from the October 2012 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</b>			
<b>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 position * 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, Wyoming'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 summarizes 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 position include all of the District’s assets, deferred outflows of resources, 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 position and how they have changed. Net position, the difference between the District's assets, deferred outflows of resources and liabilities is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position 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 position - The District's combined net position was more on June 30, 2014 than the year before, increasing by \$1,829,685 to \$7,549,062.

<b>Table A-3</b>		
<b>Wyoming Public Schools Net Position</b>		
	2014	2013
<b>Assets:</b>		
Current and other assets	\$ 12,228,120	\$ 12,833,764
Capital assets	40,134,796	40,065,660
Total assets	52,362,916	52,899,424
Deferred outflows of resources	829,298	922,314
<b>Liabilities:</b>		
Long-term liabilities outstanding	39,523,991	41,067,267
Other liabilities	6,119,161	7,035,094
Total liabilities	45,643,152	48,102,361
<b>Net position:</b>		
Net investment in capital assets	2,991,648	1,632,191
Restricted for debt service	40,120	-
Restricted for food service	223,748	188,264
Unrestricted	4,293,546	3,898,922
Total net position	\$ 7,549,062	\$ 5,719,377

<b>Table A-4</b>		
<b>Changes in Wyoming Public Schools' Net Position</b>		
	2014	2013
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 676,310	\$ 807,224
Federal and state categorical grants	13,711,799	13,794,505
General revenues:		
Property taxes	11,159,191	10,457,148
Investment	9,346	8,556
State aid - unrestricted	26,127,575	27,671,869
Other	953,664	1,259,296
Total revenues	52,637,885	53,998,598
<b>Expenses:</b>		
Instruction	29,510,642	29,519,302
Support services	16,031,499	17,060,879
Community services	121,659	134,006
Outgoing transfers and other transactions	835,225	1,218,279
Food services	2,515,179	2,681,353
Interest on long-term debt	1,793,996	1,871,056
Total expenses	50,808,200	52,484,875
<b>Special item:</b>		
Loss on impairment and disposal of capital assets	-	(445,018)
Change in net position	\$ 1,829,685	\$ 1,068,705

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

For the District as a whole its *combined* fund balance, is \$6,023,140 compared to \$5,690,952 in 2013. The fund balance increased by \$332,188 for the year, primarily due to an increase of \$261,130 in the debt service fund and an increase of \$480,032 in the capital projects fund; while the fund balance in the general fund decreased by \$474,215.

### General Fund and Budget Highlights

During the 2013-14 fiscal year the original district budget was amended once to reflect changes which affected the District. The final budget was amended to show a projected current year fund balance of \$4,668,269 while the actual fund balance for the year was \$4,695,031. The better-than-anticipated final result was due largely to budgeted funds going unspent at the building and departmental levels and the timing expenses incurred.

At June 30, 2014, the District's fund balance in the general fund was \$4,695,031. Remaining fund balance represented 10.39 percent of 2013-14 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				
	2014			2013
	Cost	Accumulated depreciation	Net book value	Net book value
Land	\$ 708,581	\$ -	\$ 708,581	\$ 708,581
Land improvements	3,758,321	2,963,889	794,432	1,031,292
Buildings and additions	70,819,592	33,040,906	37,778,686	37,201,773
Furniture and equipment	5,349,664	4,995,183	354,481	501,826
Transportation equipment	1,905,364	1,406,748	498,616	622,188
Total	<u>\$ 82,541,522</u>	<u>\$ 42,406,726</u>	<u>\$ 40,134,796</u>	<u>\$ 40,065,660</u>

### LONG-TERM DEBT

At June 30, 2014, the District had approximately \$39.5 million in long-term obligations which included \$37,972,446 in outstanding bonded debt. The bonded debt obligation was reduced during the year as \$3,483,337 of previously outstanding bonds were redeemed and \$2,100,000 of new bonds were issued. 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 5 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:

- The District's facilities are aging. The eight operational school buildings in the District were mostly built in the 50's and 60's. The last meaningful overhaul of the facilities was twenty years ago. Without significant investment in these facilities, the District may begin experiencing costly repairs to roofs and building mechanical systems. Also, aging facilities are less attractive to families searching for a school district when neighboring districts have updated buildings to offer. The District does not have an opportunity for a zero-millage-increase bond extension until 2021. Raising capital for facilities will be difficult.
- District enrollment has declined by over 1,200 students in the past five years. The downward trend is expected to continue based on regional and statewide demographics. This enrollment decline creates constant budgetary pressure on the District which impacts program offerings and staff morale.
- Current projections for the State School Aid Fund call for slow growth through at least the 2017-18 school year. Slow growth coupled with increasing costs within the Michigan Public School Employees Retirement System will result in annual state aid increases that may not compensate for even modest cost increases.

## **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 POSITION  
JUNE 30, 2014**

	<u>Governmental activities</u>
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 4,330,103
Receivables:	
Accounts receivable	20,493
Intergovernmental	6,974,638
Due from student activities	14,464
Inventories	62,165
Prepays	460,336
Land contract receivable	365,921
Capital assets not being depreciated	708,581
Capital assets, net of accumulated depreciation	39,426,215
<b>TOTAL ASSETS</b>	<u>52,362,916</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>	
Deferred charge on refunding	<u>829,298</u>
<b>LIABILITIES:</b>	
Accounts payable	480,473
Accrued salaries and related items	4,074,486
Intergovernmental	735,074
Accrued interest	280,102
Unearned revenue	549,026
Noncurrent liabilities:	
Due within one year	3,665,969
Due in more than one year	35,858,022
<b>TOTAL LIABILITIES</b>	<u>45,643,152</u>
<b>NET POSITION:</b>	
Net investment in capital assets	2,991,648
Restricted for:	
Debt service	40,120
Food service	223,748
Unrestricted	4,293,546
<b>TOTAL NET POSITION</b>	<u>\$ 7,549,062</u>

**WYOMING PUBLIC SCHOOLS  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2014**

<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 position</u>
Governmental activities:				
Instruction	\$ 29,510,642	\$ 46,600	\$ 9,979,424	\$ (19,484,618)
Support services	16,031,499	297,047	1,520,520	(14,213,932)
Community services	121,659	-	-	(121,659)
Outgoing transfers and other transactions	835,225	-	-	(835,225)
Food services	2,515,179	332,663	2,211,855	29,339
Interest on long-term debt	1,793,996	-	-	(1,793,996)
Total governmental activities	<u>\$ 50,808,200</u>	<u>\$ 676,310</u>	<u>\$ 13,711,799</u>	<u>(36,420,091)</u>
General revenues:				
Property taxes, levied for general purposes				5,800,244
Property taxes, levied for debt service				5,358,947
Investment earnings				9,346
State sources - unrestricted				26,127,575
Other				953,664
Total general revenues				<u>38,249,776</u>
<b>CHANGE IN NET POSITION</b>				1,829,685
<b>NET POSITION, beginning of year</b>				<u>5,719,377</u>
<b>NET POSITION, end of year</b>				<u>\$ 7,549,062</u>

**WYOMING PUBLIC SCHOOLS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2014**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>2013 Capital Project Fund</u>	<u>Total nonmajor funds</u>	<u>Total governmental funds</u>
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 3,035,626	\$ 614,235	\$ 6	\$ 680,236	\$ 4,330,103
Receivables:					
Accounts receivable	14,453	6,040	-	-	20,493
Land contract receivable	-	365,921	-	-	365,921
Intergovernmental	6,938,553	-	-	36,085	6,974,638
Due from other funds	101,460	-	-	15,583	117,043
Due from student activities	13,686	-	-	778	14,464
Inventories	34,510	-	-	27,655	62,165
Prepays	310,336	-	-	150,000	460,336
<b>TOTAL ASSETS</b>	<u>\$ 10,448,624</u>	<u>\$ 986,196</u>	<u>\$ 6</u>	<u>\$ 910,337</u>	<u>\$ 12,345,163</u>
<b>LIABILITIES:</b>					
Accounts payable	\$ 398,796	\$ 45,791	\$ -	\$ 35,886	\$ 480,473
Accrued salaries and related items	4,064,042	-	-	10,444	4,074,486
Intergovernmental	735,074	-	-	-	735,074
Due to other funds	15,583	-	6	101,454	117,043
Unearned revenue	540,098	-	-	8,928	549,026
<b>TOTAL LIABILITIES</b>	<u>5,753,593</u>	<u>45,791</u>	<u>6</u>	<u>156,712</u>	<u>5,956,102</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Unavailable revenue - land contract	-	365,921	-	-	365,921
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>365,921</u>	<u>-</u>	<u>-</u>	<u>365,921</u>

See notes to financial statements.



	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>2013 Capital Projects Fund</u>	<u>Total nonmajor funds</u>	<u>Total governmental funds</u>
<b>FUND BALANCES:</b>					
Nonspendable:					
Inventories	\$ 34,510	\$ -	\$ -	\$ 27,655	\$ 62,165
Prepays	310,336	-	-	150,000	460,336
Restricted for:					
Debt service	-	-	-	320,222	320,222
Food service	-	-	-	223,748	223,748
Assigned for:					
Capital projects	-	574,484	-	-	574,484
Subsequent years expenditures	497,440	-	-	32,000	529,440
Unassigned	3,852,745	-	-	-	3,852,745
<b>TOTAL FUND BALANCES</b>	<u>4,695,031</u>	<u>574,484</u>	<u>-</u>	<u>753,625</u>	<u>6,023,140</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 10,448,624</u>	<u>\$ 986,196</u>	<u>\$ 6</u>	<u>\$ 910,337</u>	<u>\$ 12,345,163</u>
<b>Total governmental fund balances</b>					\$ 6,023,140
Amounts reported for governmental activities in the statement of net position are different because:					
Deferred charge on refunding, net of amortization					829,298
The land contract receivable generated from the sale of property is recognized as revenue on the Statement of Activities in the year of sale.					365,921
Capital assets used in governmental activities are not financial resources and are not reported in the funds					
The cost of the capital assets is				\$ 82,541,522	
Accumulated depreciation is				<u>(42,406,726)</u>	40,134,796
Long-term liabilities are not due and payable in the current period and are not reported in the funds:					
Bonds payable					(37,972,446)
Compensated absences and termination benefits					(1,551,545)
Accrued interest is not included as a liability in government funds, it is recorded when paid					<u>(280,102)</u>
<b>Net position of governmental activities</b>					<u>\$ 7,549,062</u>

See notes to financial statements.

**WYOMING PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2014**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>2013 Capital Project Fund</u>	<u>Total nonmajor funds</u>	<u>Total governmental funds</u>
<b>REVENUES:</b>					
Local sources:					
Property taxes	\$ 5,803,013	\$ -	\$ -	\$ 5,358,947	\$ 11,161,960
Tuition	46,600	-	-	-	46,600
Investment earnings	5,056	759	521	3,010	9,346
Food sales, athletics, and community service	57,021	-	-	332,663	389,684
Other	1,102,136	122,290	-	-	1,224,426
Total local sources	7,013,826	123,049	521	5,694,620	12,832,016
State sources	29,651,668	-	-	82,683	29,734,351
Federal sources	4,076,823	-	-	2,129,172	6,205,995
Incoming transfers and other	3,907,623	-	-	-	3,907,623
Total revenues	44,649,940	123,049	521	7,906,475	52,679,985
<b>EXPENDITURES:</b>					
Current:					
Instruction	28,980,739	-	-	-	28,980,739
Supporting services	15,232,773	-	-	-	15,232,773
Food service activities	-	-	-	2,337,680	2,337,680
Community service activities	104,882	-	-	-	104,882
Outgoing transfers and other transactions	835,350	-	-	-	835,350
Capital outlay	-	440,742	2,048,465	57,191	2,546,398

See notes to financial statements.

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>2013 Capital Projects Fund</u>	<u>Total nonmajor funds</u>	<u>Total governmental funds</u>
<b>EXPENDITURES (Concluded)</b>					
Debt service:					
Principal repayment	\$ -	\$ -	\$ -	\$ 3,350,000	\$ 3,350,000
Interest expense	55,147	-	-	1,750,497	1,805,644
Bond issuance costs	-	-	34,192	-	34,192
Total expenditures	<u>45,208,891</u>	<u>440,742</u>	<u>2,082,657</u>	<u>7,495,368</u>	<u>55,227,658</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(558,951)</u>	<u>(317,693)</u>	<u>(2,082,136)</u>	<u>411,107</u>	<u>(2,547,673)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from issuance of bonds	-	-	2,100,000	-	2,100,000
Discount on issuance of bonds	-	-	(17,864)	-	(17,864)
Proceeds from sale of capital assets	-	797,725	-	-	797,725
Transfers in	99,080	-	-	14,344	113,424
Transfers out	(14,344)	-	-	(99,080)	(113,424)
Total other financing sources (uses)	<u>84,736</u>	<u>797,725</u>	<u>2,082,136</u>	<u>(84,736)</u>	<u>2,879,861</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(474,215)</u>	<u>480,032</u>	<u>-</u>	<u>326,371</u>	<u>332,188</u>
<b>FUND BALANCES:</b>					
Beginning of year	<u>5,169,246</u>	<u>94,452</u>	<u>-</u>	<u>427,254</u>	<u>5,690,952</u>
End of year	<u><u>\$ 4,695,031</u></u>	<u><u>\$ 574,484</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 753,625</u></u>	<u><u>\$ 6,023,140</u></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, 2014**

<b>Net change in fund balances total governmental funds</b>	<b>\$</b>	<b>332,188</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		(1,677,661)
Capital outlay		2,543,522
Proceeds from sale of capital assets		(806,278)
Gain on disposal of capital assets		9,553
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		291,750
Accrued interest payable, end of the year		(280,102)
Collections on the land contract receivable are revenues in the governmental funds, but decrease assets in the Statement of Net Position.		(30,778)
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 position. Also, governmental funds report the effect of 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		3,350,000
Proceeds from issuance of debt		(2,100,000)
Discount on issuance of bonds		17,864
Amortization of deferred loss on refunding		(93,016)
Amortization of bond premium		128,813
Amortization of bond discount		(13,340)
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:		
Unavailable revenue - property taxes, beginning of the year		(2,769)
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		1,711,484
Accrued compensated absences and termination benefits, end of the year		(1,551,545)
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b><u>1,829,685</u></b>

**WYOMING PUBLIC SCHOOLS  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
JUNE 30, 2014**

	<u>Agency fund</u>
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 239,185
Accounts receivable	<u>3,961</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 243,146</u></u>
<b>LIABILITIES:</b>	
Accounts payable	\$ 3,606
Accounts payable - primary government	14,464
Due to student and other groups	<u>225,076</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$ 243,146</u></u>

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of Government-wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. All fiduciary activities are reported only in the fund financial statements. *Governmental activities* normally are supported by taxes and intergovernmental revenues.

**B. Reporting Entity**

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 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.

**C. Basis of Presentation - Government-wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**D. Basis of Presentation - Fund Financial Statements**

The fund financial statements provide information about the District’s funds, including its fiduciary funds. Separate statements for each fund category - governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

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

**D. Basis of Presentation - Fund Financial Statements (Continued)**

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.

The *2013 capital projects fund* accounts for the proceeds of the 2013 bond issuance and the resources to be used for the acquisition of fixed assets or construction of major capital projects.

The 2013 capital projects fund includes capital project activities funded with bonds issued after May 1, 1994. For these capital projects, the District has complied with the applicable provisions of §1351a of the Revised School Code.

The following is a summary of the revenue and expenditure activity for the 2013 capital projects bond since inception of the fund through the current fiscal year:

	2013 Capital projects
Revenues and other financing sources	\$ 2,082,657
Expenditures	\$ 2,082,657

**Other non-major funds**

The *special revenue funds* account 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 funds* account 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)**

**D. Basis of Presentation - 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).

During the course of operations the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, they are eliminated in the preparation of the government-wide financial statements.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, they are eliminated in the preparation of the government-wide financial statements.

**E. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The process of preparing 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 expenses. 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.

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.



**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

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

**E. Measurement Focus and Basis of Accounting (Concluded)**

The 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 generally 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end).

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 current year ended, the foundation allowance was based on pupil membership counts.

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 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 to August. Thus, the unpaid portion at June 30 is reported as an intergovernmental receivable.

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 and accrued, which are not expended by the close of the fiscal year are recorded as unearned revenue.

All other revenue items are generally 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)**

**F. Budgetary Information**

Budgetary basis of accounting:

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and special revenue funds. The capital projects fund is appropriated on a project-length basis. Other funds do not have appropriated budgets.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executor) contracts for goods or services (i.e., purchase orders, contracts, and commitments). The District does not utilize encumbrance accounting.

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

1. The Superintendent submits to the School Board a proposed operating budget for the fiscal year commencing on July 1. The operating budget includes proposed expenditures and the means of financing them. The level of control for the budgets is at the functional level as set forth and presented as required supplementary information.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to July 1, the budget is legally adopted by School Board resolution pursuant to the Uniform Budgeting and Accounting Act (1968 PA 2). The Act requires that the budget be amended prior to the end of the fiscal year when necessary to adjust appropriations if it appears that revenues and other financing sources will be less than anticipated or so that expenditures will not be in excess of original estimates. Expenditures shall not be made or incurred, unless authorized in the budget, in excess of the amount appropriated. Violations, if any, in the general fund are noted in the required supplementary information section.
4. Transfers may be made for 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. The budget was amended during the year with supplemental appropriations, the last one approved prior to year end June 30, 2014. The District does not consider these amendments to be significant.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

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

**G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

1. Cash and cash equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Investments

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. 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.

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. District or federal agency obligation repurchase agreements, bankers' acceptances of U.S. banks, and mutual funds composed of investments as outlined above.

3. Inventories and prepaid items

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

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

**G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

4. Capital assets

Capital assets, which include property, plant, equipment, and transportation vehicles, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Group purchases are evaluated on a case by case basis. Donated capital assets are recorded at their estimated fair value at the date of donation.

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 capital assets.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

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

5. Deferred outflows/inflows of resources

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

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

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

**G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

5. Deferred outflows/inflows of resources (Concluded)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: receipts that exceeded 60 days of year end. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

6. Net position flow assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

7. Fund balance flow assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

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

**G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Concluded)**

8. Fund balance policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The board of education is the highest level of decision-making authority for the District that can, by adoption of a board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the board action remains in place until a similar action is taken (the adoption of another board action) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The board of education has by resolution authorized the superintendent and finance director to assign fund balance. The board of education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**H. Revenues and Expenditures/Expenses**

1. Program revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, unrestricted state aid, interest, and other internally dedicated resources are reported as general revenues rather than as program revenues.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

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

**H. Revenues and Expenditures/Expenses**

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, 2014, 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	6.37

3. Compensated absences

The District's policy permits employees to accumulate earned but unused vacation and sick leave benefits, which are eligible for payment upon separation from service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

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

**H. Revenues and Expenditures/Expenses (Concluded)**

4. 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 position. Bond premiums and discounts 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. Bond issuance costs are reported as expenditures in the year in which they are incurred.

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.

**NOTE 2 - DEPOSITS AND INVESTMENTS**

The District had no investments at June 30, 2014.

**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, 2014, 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 2 - 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, 2014, \$4,888,415 of the District's bank balance of \$5,138,415 was exposed to custodial credit risk because it was uninsured and uncollateralized. The carrying amount is \$4,569,288.

**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, 2014, the carrying amount is as follows:

Deposits - including fiduciary funds of \$239,185	<u>\$ 4,569,288</u>
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The above amounts are reported in the financial statements as follows:

Fiduciary fund	\$ 239,185
Government wide:	
Cash	<u>4,330,103</u>
	<u>\$ 4,569,288</u>

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 3 - CAPITAL ASSETS**

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

	Balance July 1, 2013	Additions	Deletions (Reclassifications)	Balance June 30, 2014
Assets not being depreciated:				
Land	\$ 708,581	\$ -	\$ -	\$ 708,581
Other capital assets:				
Land improvements	3,758,321	-	-	3,758,321
Buildings and additions	69,616,797	2,514,388	1,311,593	70,819,592
Furniture and equipment	5,320,530	29,134	-	5,349,664
Transportation equipment	2,089,720	-	184,356	1,905,364
Subtotal	<u>80,785,368</u>	<u>2,543,522</u>	<u>1,495,949</u>	<u>81,832,941</u>
Accumulated depreciation:				
Land improvements	2,727,029	236,860	-	2,963,889
Buildings and additions	32,415,024	1,140,750	514,868	33,040,906
Furniture and equipment	4,818,704	176,479	-	4,995,183
Transportation equipment	1,467,532	123,572	184,356	1,406,748
Total accumulated depreciation	<u>41,428,289</u>	<u>1,677,661</u>	<u>699,224</u>	<u>42,406,726</u>
Net capital assets being depreciated	<u>39,357,079</u>	<u>865,861</u>	<u>796,725</u>	<u>39,426,215</u>
Net governmental capital assets	<u>\$ 40,065,660</u>	<u>\$ 865,861</u>	<u>\$ 796,725</u>	<u>\$ 40,134,796</u>

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

Governmental activities:	
Food service	\$ 83,882
Community service	16,777
Support services	402,639
Instruction	<u>1,174,363</u>
Total governmental activities	<u>\$ 1,677,661</u>

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4 - INTERGOVERNMENTAL RECEIVABLES**

Intergovernmental receivables at June 30, 2014, consist of the following:

	Governmental funds
Other intergovernmental units:	
State aid	\$ 5,391,479
Federal revenue	1,028,535
ISD and other	554,624
	\$ 6,974,638

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

No allowance for doubtful accounts is considered necessary.

**NOTE 5 - 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, 2014:

	Accumulated compensated absences and termination benefits	Bonds and other debt	Total
Balance July 1, 2013	\$ 1,711,484	\$ 39,355,783	\$ 41,067,267
Additions	-	2,100,000	2,100,000
Deletions	(159,939)	(3,483,337)	(3,643,276)
Balance June 30, 2014	1,551,545	37,972,446	39,523,991
Due within one year	100,969	3,565,000	3,665,969
Total due in more than one year	\$ 1,450,576	\$ 34,407,446	\$ 35,858,022

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 - LONG-TERM DEBT (Continued)**

Bonds payable at June 30, 2014 is comprised of the following issues:

2003 refunding bonds due in annual installments of \$75,000 to \$95,000 through May 1, 2022 with interest from 3.60% to 4.35%.	\$ 690,000
2005 refunding bonds due in annual installments of \$1,895,000 to \$1,900,000 through May 1, 2023 with interest of 5.00%.	17,070,000
2007 building and site bonds due in annual installments of \$925,000 to \$1,950,000 through May 1, 2022 with interest from 4.00% to 5.50%.	11,375,000
2009 refunding bonds due in annual installments of \$600,000 to \$815,000 through May 1, 2022 with interest from 3.00% to 3.75%.	5,675,000
2013 building and site bonds due in annual installments of \$70,000 to \$150,000 through May 1, 2024 with interest from 2.00% to 4.50%.	2,100,000
Less unamortized discount	(136,614)
Plus: premium on bond refunding	<u>1,199,060</u>
Total general obligation debt	37,972,446
Obligation under contract for compensated absences and termination benefits	<u>1,551,545</u>
Total general long-term debt	<u><u>\$ 39,523,991</u></u>

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, 2014, \$23,890,000 bonds outstanding are considered defeased.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 - LONG-TERM DEBT (Concluded)**

The annual requirements to amortize debt outstanding as of June 30, 2014, including interest payments of \$8,903,400 are as follows:

Year ending June 30,	Principal	Interest	Amounts payable
2015	\$ 3,565,000	\$ 1,679,910	\$ 5,244,910
2016	3,730,000	1,512,184	5,242,184
2017	3,910,000	1,336,104	5,246,104
2018	4,090,000	1,155,292	5,245,292
2019	4,270,000	978,930	5,248,930
2020 - 2024	16,070,000	1,946,030	18,016,030
2025 - 2029	575,000	214,619	789,619
2030 - 2034	700,000	80,331	780,331
	36,910,000	8,903,400	45,813,400
Discounts on bond refunding	(136,614)	-	(136,614)
Premium on bond refunding	1,199,060	-	1,199,060
Accumulated compensated absences and termination benefits	1,551,545	-	1,551,545
	<u>\$ 39,523,991</u>	<u>\$ 8,903,400</u>	<u>\$ 48,427,391</u>

**NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES**

Interfund payable and receivable balances at June 30, 2014 are as follows:

Receivable fund		Payable fund	
General fund	\$ 101,460	General fund	\$ 15,583
Special revenue	15,583	Special revenue	101,454
		Capital projects fund	6
	<u>\$ 117,043</u>		<u>\$ 117,043</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 7 - DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS**

**Plan Description** - The District participates in the statewide Michigan Public School Employees' Retirement System (MPERS) which is a cost-sharing, multiple employer, state-wide, defined benefit public employee retirement plan governed by the State of Michigan (State) originally created under Public Act 136 of 1945, recodified and currently operating under the provisions of Public Act 300 of 1980, as amended. Section 25 of this act establishes the board's authority to promulgate or amend the provisions of the System. The System's pension plan was established by the State to provide retirement, survivor, and disability benefits to public school employees. In addition, the System's health plan provides all retirees with the option of receiving health, dental and vision coverage under the Michigan Public School Employees' Retirement Act.

The System's financial statements are included as a pension and other employee benefit trust fund in the State of Michigan Comprehensive Annual Financial Report. The MPERS issues a publicly available financial report that includes financial statements and required supplementary information for MPERS. 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>.

The System is administered by the Office of Retirement Services within the Michigan Department of Technology, Management & Budget. The Department Director appoints the Office Director who serves as Executive Secretary to the System's Board, with whom the general oversight of the System resides. The State Treasurer serves as the investment officer and custodian for the System.

**Benefit Provisions - Pension**

***Introduction***

Benefit provisions of the defined benefit pension plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions for the defined benefit (DB) pension plan. Retirement benefits for DB plan members are determined by final average compensation and years of service. DB members are eligible to receive a monthly benefit when they meet certain age and service requirements. The System also provides disability and survivor benefits to DB plan members. A DB member or Pension Plus hybrid plan member who leaves Michigan public school employment may request a refund of his or her member contributions to the retirement system account. A refund cancels a former member's rights to future benefits. However, returning members who previously received a refund of their contributions may reinstate their service through repayment of the refund upon satisfaction of certain requirements.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS (Continued)**

**Funding Policy**

*Member Contributions*

Mandatory member contributions were phased out between 1974 and 1977, with the plan remaining noncontributory until January 1, 1987, when the Member Investment Plan (MIP) was enacted. MIP members enrolled prior to January 1, 1990, contribute at 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 between January 1, 1990 and June 30, 2008, and returning members who did not work between January 1, 1987 through December 31, 1989, contribute at the following graduated permanently fixed contribution rates: 3% of the first \$5,000; 3.6% of \$5,001 through \$15,000; 4.3% of all wages over \$15,000. Members first hired July 1, 2008, or later including Pension Plus Plan members, contribute at the following graduated permanently fixed contribution rates: 3% of the first \$5,000; 3.6% of \$5,001 through \$15,000; 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 of interest is posted to member accounts on July 1st on all MIP monies on deposit for 12 months. If a member leaves public school service and no pension is payable, the member's accumulated contributions plus interest, if any, are refundable.

Under Public Act 300 of 2012, eligible members voluntarily chose between increasing, maintaining, or stopping their contributions to the pension fund as of the transition date. Members who elected to increase their level of contribution contribute 4% (Basic Plan) or 7% (MIP); by doing so they maintain a 1.5% pension factor in their pension formula. Members who elected to maintain their level of contribution will receive a 1.25% pension factor in their pension formula for their years of service as of their transition date. Their contribution rates are described above. Members who elected to stop their contributions became participants in the Defined Contribution plan as of their transition date.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS (Continued)**

*Employer Contributions*

Each school district or reporting entity is required to contribute the full actuarial funding contribution amount to fund pension benefits on a prefunded basis. The School District pays an amount equal to a percentage of its employees' wages to the Michigan Public School Employees Retirement System ("MPERS"), 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 following table. The District contributions to MPERS were equal to the required contribution for those years.

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

Fiscal Year Ending June 30,	Contributions to MPERS
2014	\$ 6,744,325
2013	5,980,167
2012	5,599,387

Included in the amounts paid above, the District received \$1,107,041 and \$459,395 of section 147(c) State Aid for the sole purpose of making supplemental payments to MPERS for the years ended June 30, 2014 and 2013, respectively. The District has recorded these amounts as state revenue and additional pension expenditures/expenses.

PA 464 Retirees Returning to Work, effective December 27, 2012 also requires applicable employer contributions to the defined benefit and defined contribution plans. These amounts if any are included in the amounts paid above.



**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS (Continued)**

		<b>Fiscal Year 2014</b>						
		Effective October 1, 2013						
<b>Public School Employee Pension Rates (FYE Sept. 30th)</b>		Basic MIP	Pension Plus	Pension Plus PHF - First worked after 9/2/13	Pension Plus to DC with PHF First worked after 9/2/13	Basic MIP DB to DC with DB Health	Basic MIP DB to DC with PHF	Basic MIP with PHF
		<b>DB Contributions</b>						
Pension Normal Cost		2.90%	2.67%	2.67%	0.00%	0.00%	0.00%	2.90%
Pension UAL		14.08%	14.08%	14.08%	14.08%	14.08%	14.08%	14.08%
Pension Early Retirement Incentive		1.36%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%
<b>Pension Contributions - Total Rate</b>		<b>18.34%</b>	<b>18.11%</b>	<b>18.11%</b>	<b>15.44%</b>	<b>15.44%</b>	<b>15.44%</b>	<b>18.34%</b>
Health Normal Cost		0.93%	0.93%	0.00%	0.00%	0.93%	0.00%	0.00%
Health UAL		5.52%	5.52%	5.52%	5.52%	5.52%	5.52%	5.52%
<b>Health Contributions - Total Rate</b>		<b>6.45%</b>	<b>6.45%</b>	<b>5.52%</b>	<b>5.52%</b>	<b>6.45%</b>	<b>5.52%</b>	<b>5.52%</b>
<b>Total</b>		<b>24.79%</b>	<b>24.56%</b>	<b>23.63%</b>	<b>20.96%</b>	<b>21.89%</b>	<b>20.96%</b>	<b>23.86%</b>
		<b>DC Contributions</b>						
DC Employer Contributions		0.00%	1.00%	1.00%	3.00%	4.00%	4.00%	0.00%
Personal Healthcare Fund		0.00%	0.00%	2.00%	2.00%	0.00%	2.00%	2.00%
<b>Total</b>		<b>0.00%</b>	<b>1.00%</b>	<b>3.00%</b>	<b>5.00%</b>	<b>4.00%</b>	<b>6.00%</b>	<b>2.00%</b>
<b>Grand Total</b>		<b>24.79%</b>	<b>25.56%</b>	<b>26.63%</b>	<b>25.96%</b>	<b>25.89%</b>	<b>26.96%</b>	<b>25.86%</b>

		<b>Fiscal Year 2013</b>						
		Effective February 1, 2013						
<b>Public School Employee Pension Rates (FYE Sept. 30th)</b>		Basic MIP	Pension Plus	Pension Plus PHF - First worked after 9/3/12	Pension Plus to DC with PHF First worked after 9/3/12	Basic MIP DB to DC with DB Health	Basic MIP DB to DC with PHF	Basic MIP with PHF
<b>Grand Total</b>		<b>24.32%</b>	<b>24.13%</b>	<b>26.20%</b>	<b>25.96%</b>	<b>25.89%</b>	<b>26.96%</b>	<b>25.39%</b>

		<b>Fiscal Year 2013</b>			
		4 months ended 1/31/2013			
<b>Public School Employee Pension Rates (FYE Sept. 30th)</b>		First worked before 7/1/10	First worked between 6/30/10 and 9/3/12	Pension Plus and First worked after 9/3/12	Elected DC and First worked after 9/3/12
<b>Total</b>		<b>25.36%</b>	<b>24.13%</b>	<b>23.20%</b>	<b>20.96%</b>

		<b>Fiscal Year 2012</b>			
		FY 2011 - 2012		11 months ended 9/30/11	
<b>Public School Employee Pension Rates (FYE Sept. 30th)</b>		First worked before 7/1/10	First worked after 6/30/10	First worked before 7/1/10	First worked after 6/30/10
<b>Total</b>		<b>24.46%</b>	<b>23.23%</b>	<b>20.66%</b>	<b>19.16%</b>

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS (Concluded)**

**Benefit Provisions - Other Postemployment**

***Introduction***

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. Beginning fiscal year 2013, it is funded on a prefunded basis. The System has contracted to provide the comprehensive group medical, hearing, dental and vision coverage for retirees and beneficiaries. A subsidized portion of the premium is paid by the System with the balance deducted from the monthly pension of each retiree health care recipient. For members who first worked before July 1, 2008, (Basic, MIP-Fixed, and MIP-Graded plan members), the subsidy is the maximum allowed by statute. To limit future liabilities of Other Postemployment Benefits, members who first worked on or after July 1, 2008, (MIP-Plus plan members), have a graded premium subsidy based on career length where they accrue credit towards their insurance premiums in retirement, not to exceed the maximum allowable by statute. Public Act 300 of 2012 sets the maximum subsidy at 80% beginning January 1, 2013; 90% for those Medicare eligible and enrolled in the insurances as of that date.

Public Act 75 of 2010 requires each actively employed member of MPSERS after June 30, 2010 to annually contribute 3% of their compensation to offset employer contributions for health care benefits of current retirees.

***Retiree Healthcare Reform of 2012***

Public Act 300 of 2012 granted all active members of the Michigan Public School Employees Retirement System, who earned service credit in the 12 months ending September 3, 2012, or were on an approved professional services or military leave of absence on September 3, 2012, a voluntary election regarding their retirement healthcare. Any changes to a member's healthcare benefit are effective as of the member's *transition date*, which is defined as the first day of the pay period that begins on or after December 1, 2012.

Under Public Act 300 of 2012, members were given the choice between continuing the 3% contribution to retiree healthcare and keeping the premium subsidy benefit described above, or choosing not to pay the 3% contribution and instead opting out of the subsidy benefit and becoming a participant in the Personal Healthcare Fund (PHF), a portable, tax-deferred fund that can be used to pay healthcare expenses in retirement. Participants in the PHF are automatically enrolled in a 2% employee contribution into their 457 account as of their transition date, earning them a 2% employer match into a 401(k) account. Members who selected this option stop paying the 3% contribution to retiree healthcare as of the day before their transition date, and their prior contributions will be deposited into their 401(k) accounts.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 - 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 30 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 \$1,295,405, 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 17 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 \$2,176,471 loss fund collected from members. Excess insurance has been purchased to cover claims exceeding those amounts.

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

**NOTE 9 - TRANSFERS**

The food service fund transferred \$99,080 to the general fund. The transfer from the food service fund was made to allocate indirect costs between the funds. The general fund transferred \$14,344 to the food service fund to adjust 2012-13 indirect costs charged.

**NOTE 10 - 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.

**WYOMING PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 11 - UPCOMING ACCOUNTING PRONOUNCEMENT**

Governmental Accounting Standards Board (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 an actuarial calculation. 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. The District is in the process of evaluating the financial statement impact of this statement and believes the impact of this statement will be significant.

**REQUIRED SUPPLEMENTARY INFORMATION**

**WYOMING PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED JUNE 30, 2014**

	<b>Original budget</b>	<b>Final budget</b>	<b>Actual</b>	<b>Variance with final budget</b>
<b>REVENUES:</b>				
Local sources	\$ 7,167,214	\$ 6,928,869	\$ 7,013,826	\$ 84,957
State sources	30,064,828	29,928,942	29,651,668	(277,274)
Federal sources	5,172,201	4,266,999	4,076,823	(190,176)
Incoming transfers and other	3,540,747	4,034,404	3,907,623	(126,781)
Total revenues	<u>45,944,990</u>	<u>45,159,214</u>	<u>44,649,940</u>	<u>(509,274)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction:				
Basic programs	21,245,652	21,557,260	21,557,860	(600)
Added needs	6,706,677	7,021,601	7,007,581	14,020
Adult education	274,758	418,202	415,298	2,904
Total instruction	<u>28,227,087</u>	<u>28,997,063</u>	<u>28,980,739</u>	<u>16,324</u>
Supporting services:				
Pupil	2,933,733	2,829,441	2,795,672	33,769
Instructional staff	2,616,094	1,951,285	1,897,556	53,729
General administration	533,674	480,716	475,634	5,082
School administration	1,860,579	1,748,258	1,726,879	21,379
Business	373,422	344,224	342,136	2,088
Operation/maintenance	3,307,968	3,412,810	3,259,427	153,383
Pupil transportation	2,877,123	2,609,307	2,593,743	15,564
Central	1,518,468	1,517,701	1,508,465	9,236
Athletics	600,426	636,316	633,261	3,055
Total supporting services	<u>16,621,487</u>	<u>15,530,058</u>	<u>15,232,773</u>	<u>297,285</u>
Community services	119,439	110,831	104,882	5,949
Debt service	-	55,147	55,147	-
Outgoing transfers and other transactions	1,267,889	1,050,748	835,350	215,398
Total expenditures	<u>46,235,902</u>	<u>45,743,847</u>	<u>45,208,891</u>	<u>534,956</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(290,912)</u>	<u>(584,633)</u>	<u>(558,951)</u>	<u>25,682</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in		98,000	99,080	1,080
Transfers out	-	(14,344)	(14,344)	-
Total other financing sources	-	83,656	84,736	1,080
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (290,912)</u>	<u>\$ (500,977)</u>	<u>(474,215)</u>	<u>\$ 26,762</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>5,169,246</u>	
End of year			<u>\$ 4,695,031</u>	

**ADDITIONAL SUPPLEMENTARY INFORMATION**

**WYOMING PUBLIC SCHOOLS  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
YEAR ENDED JUNE 30, 2014**

	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget</u>
<b>LOCAL SOURCES:</b>			
Property taxes	\$ 5,802,920	\$ 5,803,013	\$ 93
Tuition	44,054	46,600	2,546
Investment earnings	4,779	5,056	277
Athletics	57,021	57,021	-
Other local revenue	1,020,095	1,102,136	82,041
<b>TOTAL LOCAL SOURCES</b>	<u>6,928,869</u>	<u>7,013,826</u>	<u>84,957</u>
<b>STATE SOURCES:</b>			
Foundation grant	24,345,176	24,347,864	2,688
Categorical	5,522,544	5,242,582	(279,962)
Other state revenue	61,222	61,222	-
<b>TOTAL STATE SOURCES</b>	<u>29,928,942</u>	<u>29,651,668</u>	<u>(277,274)</u>
<b>FEDERAL SOURCES:</b>			
Title I	1,469,051	1,404,412	(64,639)
Title II - improving teacher quality	293,799	257,454	(36,345)
IDEA special education	1,223,149	1,223,149	-
21st century	964,796	945,899	(18,897)
Other federal revenue	316,204	245,909	(70,295)
<b>TOTAL FEDERAL SOURCES</b>	<u>4,266,999</u>	<u>4,076,823</u>	<u>(190,176)</u>
<b>INCOMING TRANSFERS AND OTHER TRANSACTIONS:</b>			
Special education	3,148,561	3,148,562	1
Other	885,843	759,061	(126,782)
<b>TOTAL INCOMING TRANSFERS AND OTHER TRANSACTIONS</b>	<u>4,034,404</u>	<u>3,907,623</u>	<u>(126,781)</u>
<b>TOTAL REVENUES</b>	<u>45,159,214</u>	<u>44,649,940</u>	<u>(509,274)</u>
<b>OTHER FINANCING SOURCES:</b>			
Transfers in	98,000	99,080	1,080
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$45,257,214</u>	<u>\$44,749,020</u>	<u>\$ (508,194)</u>



**WYOMING PUBLIC SCHOOLS  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
YEAR ENDED JUNE 30, 2014  
(with comparative totals for the year ended June 30, 2013)**

	Salaries	Employee benefits	Purchased services	Supplies and materials	Capital outlay	Other expenses	Totals	
							2014	2013
Instruction:								
Elementary	\$ 7,331,293	\$ 3,907,122	\$ 198,594	\$ 272,130	\$ -	\$ -	\$ 11,709,139	\$ 11,129,859
Middle school	3,147,767	1,671,526	62,546	67,564	40	1,050	4,950,493	4,916,967
High school	2,907,680	1,534,165	198,181	126,835	30,324	5,392	4,802,577	4,762,684
Preschool	32,573	10,771	44	949	-	-	44,337	28,414
Summer school	19,301	6,317	25,696	-	-	-	51,314	50,811
Special education	1,890,684	1,088,556	30,853	22,396	-	1,420,918	4,453,407	4,916,559
Compensatory education	1,471,306	754,702	73,007	102,650	-	99,675	2,501,340	2,084,808
Vocational education	-	-	91	35,405	13,530	3,808	52,834	51,906
Adult education	270,466	141,738	2,094	1,000	-	-	415,298	248,410
Total instruction	17,071,070	9,114,897	591,106	628,929	43,894	1,530,843	28,980,739	28,190,418
Supporting services:								
Pupil services	494,088	223,616	26,573	10,571	-	2,040,824	2,795,672	2,959,200
Instructional staff services	736,591	346,354	249,863	286,959	274,391	3,398	1,897,556	2,494,004
General administration	261,964	123,250	79,968	3,162	719	6,571	475,634	513,392
School administration	1,105,867	600,715	2,470	17,579	-	248	1,726,879	1,878,878
Business services	209,953	123,308	1,083	2,543	1,825	3,424	342,136	368,101
Operations and maintenance	924,988	612,839	750,581	815,681	152,310	3,028	3,259,427	3,269,051
Transportation	544,987	324,911	268,016	151,807	-	1,304,022	2,593,743	2,818,626
Central services	604,969	368,012	353,674	36,426	144,671	713	1,508,465	1,614,499
Athletics	251,972	140,744	146,061	7,381	49,745	37,358	633,261	851,735
Total supporting services	5,135,379	2,863,749	1,878,289	1,332,109	623,661	3,399,586	15,232,773	16,767,486
Community services	3,007	1,142	84,447	7,524	-	8,762	104,882	115,416
Debt service	-	-	-	-	-	55,147	55,147	-
Outgoing transfers and other transactions	-	-	-	-	86,843	748,507	835,350	1,218,279
Total expenditures	\$ 22,209,456	\$ 11,979,788	\$ 2,553,842	\$ 1,968,562	\$ 754,398	\$ 5,742,845	\$ 45,208,891	\$ 46,291,599

**WYOMING PUBLIC SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUND TYPES  
JUNE 30, 2014**

	<u>Special revenue</u>		
	<u>Food service</u>	<u>Debt service</u>	<u>Total nonmajor funds</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 360,014	\$ 320,222	\$ 680,236
Intergovernmental	36,085	-	36,085
Due from other funds	15,583	-	15,583
Due from student activities	778	-	778
Prepays	150,000	-	150,000
Inventories	27,655	-	27,655
<b>TOTAL ASSETS</b>	<u>\$ 590,115</u>	<u>\$ 320,222</u>	<u>\$ 910,337</u>
<b>LIABILITIES:</b>			
Accounts payable	\$ 35,886	\$ -	\$ 35,886
Accrued salaries and related items	10,444	-	10,444
Due to other funds	101,454	-	101,454
Unearned revenue	8,928	-	8,928
<b>TOTAL LIABILITIES</b>	<u>156,712</u>	<u>-</u>	<u>156,712</u>
<b>FUND BALANCES:</b>			
Nonspendable:			
Inventories	27,655	-	27,655
Prepays	150,000	-	150,000
Restricted for:			
Debt service	-	320,222	320,222
Food service	223,748	-	223,748
Assigned for:			
Subsequent years expenditures	32,000	-	32,000
<b>TOTAL FUND BALANCES</b>	<u>433,403</u>	<u>320,222</u>	<u>753,625</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 590,115</u>	<u>\$ 320,222</u>	<u>\$ 910,337</u>

**WYOMING PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUND TYPES  
YEAR ENDED JUNE 30, 2014**

	<u>Special revenue</u>		<u>Total nonmajor funds</u>
	<u>Food service</u>	<u>Debt service</u>	
<b>REVENUES:</b>			
Local sources:			
Property taxes	\$ -	\$ 5,358,947	\$ 5,358,947
Investment earnings	330	2,680	3,010
Food sales	332,663	-	332,663
Other	-	-	-
Total local sources	<u>332,993</u>	<u>5,361,627</u>	<u>5,694,620</u>
State sources	82,683	-	82,683
Federal sources	<u>2,129,172</u>	<u>-</u>	<u>2,129,172</u>
Total revenues	<u>2,544,848</u>	<u>5,361,627</u>	<u>7,906,475</u>
<b>EXPENDITURES:</b>			
Current:			
Food service activities	2,337,680	-	2,337,680
Capital outlay	57,191	-	57,191
Debt service:			
Principal repayment	-	3,350,000	3,350,000
Interest expense	-	1,750,497	1,750,497
Total expenditures	<u>2,394,871</u>	<u>5,100,497</u>	<u>7,495,368</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>149,977</u>	<u>261,130</u>	<u>411,107</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	14,344	-	14,344
Transfers out	<u>(99,080)</u>	<u>-</u>	<u>(99,080)</u>
Total other financing uses	<u>(84,736)</u>	<u>-</u>	<u>(84,736)</u>
<b>NET CHANGE IN FUND BALANCES</b>	65,241	261,130	326,371
<b>FUND BALANCES:</b>			
Beginning of year	<u>368,162</u>	<u>59,092</u>	<u>427,254</u>
End of year	<u>\$ 433,403</u>	<u>\$ 320,222</u>	<u>\$ 753,625</u>

**WYOMING PUBLIC SCHOOLS  
 COMBINING DEBT SERVICE FUNDS  
 BALANCE SHEET  
 JUNE 30, 2014**

	<b>2003</b>	<b>2005</b>	<b>2007</b>	<b>2009</b>	<b>Total Nonmajor</b>
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 6,625	\$ 146,399	\$ 125,434	\$ 41,764	\$ 320,222
 <b>FUND BALANCES:</b>					
Restricted for debt service	\$ 6,625	\$ 146,399	\$ 125,434	\$ 41,764	\$ 320,222

**WYOMING PUBLIC SCHOOLS  
DEBT SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2014**

	<u>2003</u>	<u>2005</u>	<u>2007</u>	<u>2009</u>	<u>Total Nonmajor</u>
<b>REVENUES:</b>					
Local sources:					
Property taxes	\$ 111,084	\$ 2,987,398	\$ 1,405,692	\$ 854,773	\$ 5,358,947
Interest	19	904	1,637	120	2,680
Total local revenue	<u>111,103</u>	<u>2,988,302</u>	<u>1,407,329</u>	<u>854,893</u>	<u>5,361,627</u>
<b>EXPENDITURES:</b>					
Principal repayments	75,000	1,895,000	775,000	605,000	3,350,000
Interest expense	30,715	948,250	562,744	208,788	1,750,497
Total expenditures	<u>105,715</u>	<u>2,843,250</u>	<u>1,337,744</u>	<u>813,788</u>	<u>5,100,497</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	5,388	145,052	69,585	41,105	261,130
<b>FUND BALANCES:</b>					
Beginning of year	<u>1,237</u>	<u>1,347</u>	<u>55,849</u>	<u>659</u>	<u>59,092</u>
End of year	<u>\$ 6,625</u>	<u>\$ 146,399</u>	<u>\$ 125,434</u>	<u>\$ 41,764</u>	<u>\$ 320,222</u>

**WYOMING PUBLIC SCHOOLS  
LONG TERM DEBT  
BONDED DEBT - PRINCIPAL AND INTEREST REQUIREMENTS  
JUNE 30, 2014**

2003 Refunding Bonds

Fiscal year	Interest rate	Principal due May 1,	Interest due		Total due annually
			May 1	November 1	
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>\$ 690,000</u>	<u>\$ 67,117</u>	<u>\$ 67,117</u>	<u>\$ 824,234</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, 2014**

2005 Refunding Bonds

Fiscal year	Interest rate	Principal due May 1,	Interest due		Total due annually
			May 1	November 1	
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>\$ 17,070,000</u>	<u>\$ 2,134,875</u>	<u>\$ 2,134,875</u>	<u>\$ 21,339,750</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, 2014**

2007 School Building and Site Bonds

Fiscal year	Interest rate	Principal due May 1,	Interest due		Total due annually
			May 1	November 1	
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>\$ 11,375,000</u>	<u>\$ 1,300,395</u>	<u>\$ 1,300,395</u>	<u>\$ 13,975,790</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, 2014**

2009 Refunding Bonds

Fiscal year	Interest rate	Principal due May 1,	Interest due		Total due annually
			May 1	November 1	
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>\$ 5,675,000</u>	<u>\$ 472,063</u>	<u>\$ 472,063</u>	<u>\$ 6,619,126</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, 2014**

2013 School Building and Site Bonds

Fiscal year	Interest rate	Principal due May 1,	Interest due		Total due annually
			May 1	November 1	
2015	2.000%	\$ 70,000	\$ 36,900	\$ 37,600	\$ 144,500
2016	2.000%	70,000	36,200	36,900	143,100
2017	2.000%	75,000	35,450	36,200	146,650
2018	2.000%	75,000	34,700	35,450	145,150
2019	3.000%	80,000	33,500	34,700	148,200
2020	3.000%	85,000	32,225	33,500	150,725
2021	3.000%	85,000	30,950	32,225	148,175
2022	3.000%	90,000	29,600	30,950	150,550
2023	3.000%	95,000	28,175	29,600	152,775
2024	3.250%	100,000	26,550	28,175	154,725
2025	3.250%	105,000	24,844	26,550	156,394
2026	3.750%	110,000	22,781	24,844	157,625
2027	3.750%	115,000	20,625	22,781	158,406
2028	4.250%	120,000	18,075	20,625	158,700
2029	4.250%	125,000	15,419	18,075	158,494
2030	4.250%	130,000	12,656	15,419	158,075
2031	4.250%	135,000	9,787	12,656	157,443
2032	4.500%	140,000	6,638	9,787	156,425
2033	4.500%	145,000	3,375	6,638	155,013
2034	4.500%	150,000	-	3,375	153,375
Total 2013 bonded debt		<u>\$ 2,100,000</u>	<u>\$ 458,450</u>	<u>\$ 496,050</u>	<u>\$ 3,054,500</u>

The above bonds dated August 7, 2013 were issued for the purpose of constructing new band and choir rooms, restrooms and concession areas; and developing and improving the site related to the new construction. The amount of the original bond issue was \$2,100,000.

**WYOMING PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2014**

Federal grantor/pass-through grantor program title	Federal CFDA number	Pass-through grantor's number	Approved grant award amount	Accrued revenue July 1, 2013	Prior year expenditures (memo only)	Current year expenditures	Current year cash receipts	Accrued revenue June 30, 2014
<u>U.S. Department of Agriculture:</u>								
Passed through Michigan Department of Education:								
Child Nutrition Cluster:								
Non-Cash Assistance (Donated Foods):								
Entitlement	10.555		\$ 164,443	\$ -	\$ -	\$ 164,443	\$ 164,443	\$ -
Non-Cash Assistance Subtotal			164,443	-	-	164,443	164,443	-
Cash Assistance:								
National School Lunch Program - Breakfast	10.553	131970	70,336	-	-	70,336	70,336	-
National School Lunch Program - Breakfast	10.553	141970	514,037	-	-	514,037	514,037	-
			584,373	-	-	584,373	584,373	-
National School Lunch Program - Section 11	10.555	131960	150,745	-	1,116,081	150,745	150,745	-
National School Lunch Program - Section 11	10.555	141960	1,077,178	-	-	1,077,178	1,077,178	-
			1,227,923	-	1,116,081	1,227,923	1,227,923	-
Summer Food Service Program - Meals	10.559	130900	66,078	40,356	-	57,962	66,078	32,240
Summer Food Service Program - Sponsor Administration	10.559	131900	5,602	3,429	-	4,904	5,602	2,731
			71,680	43,785	-	62,866	71,680	34,971
Cash Assistance Subtotal			1,883,976	43,785	1,116,081	1,875,162	1,883,976	34,971
Total Child Nutrition Cluster			2,048,419	43,785	1,116,081	2,039,605	2,048,419	34,971

The accompanying notes are an integral part of this schedule.

**WYOMING PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2014**

Federal grantor/pass-through grantor program title	Federal CFDA number	Pass-through grantor's number	Approved grant award amount	Accrued revenue July 1, 2013	Prior year expenditures (memo only)	Current year expenditures	Current year cash receipts	Accrued revenue June 30, 2014
<u>U.S. Department of Agriculture (Concluded):</u>								
Child Care Food Program	10.558	141920	\$ 75,590	\$ -	\$ -	\$ 75,590	\$ 75,590	\$ -
Child Care Food Program	10.558	131920	8,927	-	83,696	8,927	8,927	-
Child Care Food Program	10.558	142010	4,507	-	-	4,507	4,507	-
Child Care Food Program	10.558	132010	543	-	6,387	543	543	-
			<u>89,567</u>	<u>-</u>	<u>90,083</u>	<u>89,567</u>	<u>89,567</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>2,137,986</u>	<u>43,785</u>	<u>1,206,164</u>	<u>2,129,172</u>	<u>2,137,986</u>	<u>34,971</u>
<u>U.S. Department of Education:</u>								
Passed through Michigan Department of Education:								
Title I	84.010	141530-1314	1,477,118	-	-	1,404,412	1,114,403	290,009
Title I	84.010	131530-1213	2,073,238	404,999	1,839,020	-	404,999	-
			<u>3,550,356</u>	<u>404,999</u>	<u>1,839,020</u>	<u>1,404,412</u>	<u>1,519,402</u>	<u>290,009</u>
Total Title I			<u>3,550,356</u>	<u>404,999</u>	<u>1,839,020</u>	<u>1,404,412</u>	<u>1,519,402</u>	<u>290,009</u>

The accompanying notes are an integral part of this schedule.

**WYOMING PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2014**

Federal grantor/pass-through grantor program title	Federal CFDA number	Pass-through grantor's number	Approved grant award amount	Accrued revenue July 1, 2013	Prior year expenditures (memo only)	Current year expenditures	Current year cash receipts	Accrued revenue June 30, 2014
<u>U.S. Department of Education (Continued):</u>								
Passed through Michigan Department of Education (Continued):								
Title IIA	84.367	130520-1213	\$ 304,969	\$ 40,736	\$ 195,262	\$ -	\$ 40,736	\$ -
Title IIA	84.367	140520-1314	289,023	-	-	257,454	212,959	44,495
			<u>593,992</u>	<u>40,736</u>	<u>195,262</u>	<u>257,454</u>	<u>253,695</u>	<u>44,495</u>
Title III - Limited English Proficient Students	84.365A	130580-1213	97,567	19,888	88,550	-	19,888	-
Title III - Limited English Proficient Students	84.365A	140580-1314	90,748	-	-	81,617	65,374	16,243
Title III - Immigrant Students	84.365A	130570-1213	22,068	13,439	17,791	-	13,439	-
			<u>210,383</u>	<u>33,327</u>	<u>106,341</u>	<u>81,617</u>	<u>98,701</u>	<u>16,243</u>
21st Century Community Learning Center - Other	84.287C	132110-E08010	672,699	164,904	648,454	20,327	185,231	-
21st Century Community Learning Center - Other	84.287C	132110-F09069	269,470	95,103	262,298	-	95,103	-
21st Century Community Learning Center - Other	84.287C	132110-G12065	270,000	115,147	266,761	-	115,147	-
21st Century Community Learning Center - Other	84.287C	142110-F09069	269,470	-	-	262,576	189,963	72,613
21st Century Community Learning Center - Other	84.287C	142110-G12065	270,000	-	-	269,857	196,150	73,707
21st Century Community Learning Center - Other	84.287C	142110-H13066	405,000	-	-	393,139	295,663	97,476
			<u>2,156,639</u>	<u>375,154</u>	<u>1,177,513</u>	<u>945,899</u>	<u>1,077,257</u>	<u>243,796</u>

The accompanying notes are an integral part of this schedule.

**WYOMING PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2014**

Federal grantor/pass-through grantor program title	Federal CFDA number	Pass-through grantor's number	Approved grant award amount	Accrued revenue July 1, 2013	Prior year expenditures (memo only)	Current year expenditures	Current year cash receipts	Accrued revenue June 30, 2014
<u>U.S. Department of Education (Concluded):</u>								
Passed through Michigan Department of Education (Concluded):								
Federal General Instr - Adult Education	84.002A	131130-131267	\$ 180,000	\$ 50,682	\$ 180,000	\$ -	\$ 50,682	\$ -
Federal General Instr - Adult Education	84.002A	141130-141267	150,000	-	-	148,836	110,092	38,744
English Literature	84.002A	131120-135667	76,000	25,195	76,000	-	25,195	-
			<u>406,000</u>	<u>75,877</u>	<u>256,000</u>	<u>148,836</u>	<u>185,969</u>	<u>38,744</u>
Total passed through Michigan Department of Education			<u>6,917,370</u>	<u>930,093</u>	<u>3,574,136</u>	<u>2,838,218</u>	<u>3,135,024</u>	<u>633,287</u>
Passed through Kent Intermediate School District (KISD):								
Special Education Cluster:								
I.D.E.A. - Flow Through	84.027	130450-1213	1,123,946	252,501	1,123,946	-	252,501	-
I.D.E.A. - Flow Through	84.027	140450-1314	1,178,099	-	-	1,178,099	830,419	347,680
			<u>2,302,045</u>	<u>252,501</u>	<u>1,123,946</u>	<u>1,178,099</u>	<u>1,082,920</u>	<u>347,680</u>
I.D.E.A. - Preschool	84.173	130460-1213	51,504	11,571	51,504	-	11,571	-
I.D.E.A. - Preschool	84.173	140460-1314	45,050	-	-	45,050	32,453	12,597
			<u>96,554</u>	<u>11,571</u>	<u>51,504</u>	<u>45,050</u>	<u>44,024</u>	<u>12,597</u>
Total Special Education Cluster			<u>2,398,599</u>	<u>264,072</u>	<u>1,175,450</u>	<u>1,223,149</u>	<u>1,126,944</u>	<u>360,277</u>
Total passed through Kent Intermediate School District			<u>2,398,599</u>	<u>264,072</u>	<u>1,175,450</u>	<u>1,223,149</u>	<u>1,126,944</u>	<u>360,277</u>
Total U.S. Department of Education			<u>9,315,969</u>	<u>1,194,165</u>	<u>4,749,586</u>	<u>4,061,367</u>	<u>4,261,968</u>	<u>993,564</u>

The accompanying notes are an integral part of this schedule.

**WYOMING PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2014**

Federal grantor/pass-through grantor program title	Federal CFDA number	Pass-through grantor's number	Approved grant award amount	Accrued revenue July 1, 2013	Prior year expenditures (memo only)	Current year expenditures	Current year cash receipts	Accrued revenue June 30, 2014
<u>U.S. Department of Health and Human Services:</u>								
Passed through Kent Intermediate School District (KISD):								
Medicaid Outreach	93.778	1314	\$ 15,456	\$ -	\$ -	\$ 15,456	\$ 15,456	\$ -
Total U.S. Department of Health and Human Services			<u>15,456</u>	<u>-</u>	<u>-</u>	<u>15,456</u>	<u>15,456</u>	<u>-</u>
 TOTAL FEDERAL AWARDS			<u>\$ 11,469,411</u>	<u>\$ 1,237,950</u>	<u>\$ 5,955,750</u>	<u>\$ 6,205,995</u>	<u>\$ 6,415,410</u>	<u>\$ 1,028,535</u>

The accompanying notes are an integral part of this schedule.

**WYOMING PUBLIC SCHOOLS  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2014**

1. Basis of presentation - The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Wyoming Public Schools under programs of the federal government for the year ended June 30, 2014. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Government, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of Wyoming Public Schools, it is not intended to and does not present the net position or changes in net position of Wyoming Public Schools.
2. Summary of significant accounting policies - Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for States, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts (if any) shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.
3. The child nutrition cluster (CFDA #10.553, #10.555, and #10.559), 21st Century (CFDA #84.287C) and the Special education cluster (CFDA #84.027 and #84.173) were audited as the major programs, representing 68% of expenditures.
4. The threshold for distinguishing Type A and Type B programs was \$300,000.
5. Management has utilized the Cash Management System (CMS) Grant Audit Report in preparing the Schedule of Expenditures of Federal Awards.
6. Federal expenditures are reported as revenue in the following funds in the financial statements:

General fund	\$ 4,076,823
Other nonmajor governmental fund	2,129,172
Total per financial statements	<u>\$ 6,205,995</u>
Total expenditures reported on the Schedule of Expenditures of Federal Awards	<u><u>\$ 6,205,995</u></u>



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Wyoming Public Schools

We have audited, 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, the 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, 2014, and the related notes to the financial statements, which collectively comprise the Wyoming Public Schools basic financial statements and have issued our report thereon dated October 3, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Wyoming Public Schools' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Wyoming Public Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of the Wyoming Public Schools' internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Wyoming Public Schools' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Maney Costeiran PC*

October 3, 2014

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Wyoming Public Schools

**Report on Compliance for Each Major Federal Program**

We have audited Wyoming Public Schools' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Wyoming Public Schools' major federal programs for the year ended June 30, 2014. Wyoming Public Schools' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Wyoming Public Schools' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Wyoming Public Schools' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Wyoming Public Schools' compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Wyoming Public Schools complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

### **Report on Internal Control Over Compliance**

Management of Wyoming Public Schools is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Wyoming Public Schools' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Wyoming Public Schools' internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Maney Costeiran PC*

October 3, 2014

**WYOMING PUBLIC SCHOOLS  
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2014**

**Section I - Summary of Auditor's Results**

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***Financial Statements***

Type of auditor's report issued: *Unmodified*

Internal control over financial reporting:

➤ Material weakness(es) identified? \_\_\_\_\_ Yes   X   No

➤ Significant deficiency(ies) identified? \_\_\_\_\_ Yes   X   No

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes   X   No

***Federal Awards***

Internal control over major programs:

➤ Material weakness(es) identified? \_\_\_\_\_ Yes   X   No

➤ Significant deficiency(ies) identified? \_\_\_\_\_ Yes   X   No

Type of auditor's report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported with Section 510(a) of Circular A-133? \_\_\_\_\_ Yes   X   No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
10.553, 10.555, & 10.559	Child Nutrition Cluster
84.027 & 84.173	Special Education Cluster
84.287C	21st Century

Dollar threshold used to distinguish between Type A and Type \_\_\_\_\_ \$300,000 \_\_\_\_\_

Auditee qualified as low-risk auditee? \_\_\_\_\_ Yes   X   No

**Section II - Financial Statement Findings**

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None noted

**Section III - Federal Award Findings and Questioned Costs**

None noted.

**WYOMING PUBLIC SCHOOLS  
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2014**

**Finding 2013-1**

**Federal Program:** Title III - CFDA #84.365A.

**Specific Requirement:** Private school grant notification.

**Criteria:** Wyoming Public Schools is required to follow specific requirements in notifying private schools of the opportunity to participate in the grant program.

**Condition:** The District did not document offering Title III CFDA #84.365A federal grant program to private schools as required.

**Context:** The District's compliance staff was unaware of the private school notification requirements.

**Questioned Costs:** \$0

**Cause:** The District's compliance staff was unaware of the private school notification requirements.

**Effect:** Because of violation, the funding sources of the grant could request repayment of some of the grant funds that could have been applied to private schools.

**Recommendation:** We recommend Wyoming Public Schools establish improved controls for reviewing the federal compliance supplements related to the grants, and verify which of the fourteen compliance areas relate to each grant.

**Status:** The District improved the notification process and was in compliance for the year ended June 30, 2014.