

SPRING LAKE SCHOOL DISTRICT

AUDIT SYNOPSIS

JUNE 30, 2014

Spring Lake School District
Balance Sheet
Governmental Funds
June 30, 2014

| | General Fund | Special Revenue Fund | Debt Service Fund | Total Governmental Funds |
|--|-------------------------|----------------------------|-------------------------|--------------------------------|
| ASSETS | | | | |
| Cash and Cash Equivalents | 1,777,155 | 32,718 | 24 | 1,809,897 |
| Receivables from Other Governments | 104,790 | 47,478 | | 152,268 |
| Restricted Cash and Cash Equivalents | <u>1,396,434</u> | | | <u>1,396,434</u> |
| Total Assets | <u><u>3,278,379</u></u> | <u><u>80,196</u></u> | <u><u>24</u></u> | <u><u>3,358,599</u></u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Cash Overdraft | | | | |
| Accounts Payable | | 18,890 | | 18,890 |
| Payable to State Government | | 3,390 | | 3,390 |
| Deferred Revenue | 662 | 57,916 | | 58,578 |
| Total Liabilities | <u>662</u> | <u>80,196</u> | | <u>80,858</u> |
| Fund Balances: | | | | |
| Restricted for: | | | | |
| Excess Surplus - Current Year | 316,515 | | | 316,515 |
| Excess Surplus-prior year-Designated for Subsequent Year's Expenditures | 708,848 | | | 708,848 |
| Emergency Reserve | 250,000 | | | 250,000 |
| Maintenance Reserve | 421,849 | | | 421,849 |
| Capital Reserve | 576,585 | | | 576,585 |
| Tuition Reserve | 79,000 | | | 79,000 |
| Debt Service | | | 24 | 24 |
| Assigned to: | | | | |
| Year end encumbrances | 468,591 | | | 468,591 |
| Tuition Adjustment | 69,000 | | | 69,000 |
| Designated for Subsequent Year's Expenditures | 81,169 | | | 81,169 |
| Unassigned: | | | | |
| General Fund | 306,160 | | | 306,160 |
| Total Fund Balances | <u>3,277,717</u> | | <u>24</u> | <u>3,277,741</u> |
| Total Liabilities and Fund Balances | <u><u>3,278,379</u></u> | <u><u>80,196</u></u> | <u><u>24</u></u> | |

Amounts reported for *governmental activities* in the statement of net assets (A-1) are different because:

| | |
|--|-------------------------|
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$6,112,992 and the accumulated depreciation is \$3,667,942. | 2,445,050 |
| Interest on Long-term debt accrued | (9,598) |
| Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. | <u>(1,166,607)</u> |
| Net position of governmental activities | <u><u>4,546,586</u></u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

Spring Lake School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014

| | General Fund | Special Revenue Fund | Debt Service Fund | Total Governmental Funds |
|--|-----------------|----------------------------|-------------------------|--------------------------------|
| REVENUES | | | | |
| Local Sources: | | | | |
| Local Tax Levy | 5,953,397 | | 127,242 | 6,080,639 |
| Interest Earned on Investments | 2,405 | | 6 | 2,411 |
| Miscellaneous | 130,963 | - | | 130,963 |
| Total - Local Sources | 6,086,765 | - | 127,248 | 6,214,013 |
| State Sources | 690,426 | 167,195 | 63,342 | 920,963 |
| Federal Sources | - | 143,906 | | 143,906 |
| Total Revenues | 6,777,191 | 311,101 | 190,590 | 7,278,882 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Regular Instruction | 1,706,045 | | | 1,706,045 |
| Special Education Instruction | 333,070 | 236,805 | | 569,875 |
| Other Instruction | 68,236 | | | 68,236 |
| Support Services and Undistributed Costs: | | | | |
| Tuition | 1,256,070 | | | 1,256,070 |
| Student & Instruction Related Services | 1,058,006 | 74,296 | | 1,132,302 |
| General Administrative Services | 156,136 | | | 156,136 |
| School Administrative Services | 86,258 | | | 86,258 |
| Central Services | 146,341 | | | 146,341 |
| Admin. Info. Technology | 7,278 | | | 7,278 |
| Plant Operations and Maintenance | 514,555 | | | 514,555 |
| Pupil Transportation | 341,177 | | | 341,177 |
| Employee Benefits | 1,292,314 | | | 1,292,314 |
| Debt Service: | | | | |
| Principal | | | 165,000 | 165,000 |
| Interest and Other Charges | | | 40,563 | 40,563 |
| Capital Outlay | 110,034 | | | 110,034 |
| Total Expenditures | 7,075,520 | 311,101 | 205,563 | 7,592,184 |
| Excess (Deficiency) of Revenues Over Expenditures | (298,329) | - | (14,973) | (313,302) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | | | | - |
| Transfers out | | | | - |
| Total other financing sources and uses | | | | - |
| Net Change in Fund Balances | (298,329) | - | (14,973) | (313,302) |
| Fund Balance—July 1 | 3,576,046 | | 14,997 | 3,591,043 |
| Fund Balance—June 30 | 3,277,717 | | 24 | 3,277,741 |

The accompanying Notes to Financial Statements are an integral part of this statement.

SPRING LAKE SCHOOL DISTRICT
FINDINGS AND RECOMMENDATIONS

Administrative Practices and Procedures

None

Financial Planning, Accounting and Reporting

Finding 2014-01:

The employees deduction for unemployment is not being deposited in the Unemployment Trust Fund.

Recommendation

That the employee's deduction for unemployment be deposited in the Unemployment Trust Fund on a timely basis.

School Purchasing Programs

None

School Food Services

Finding 2014-02: Net cash resources exceeded three month average expenditures.

Recommendation: Excess funds in the Food Service Fund should be utilized for the benefit of reducing milk prices or purchasing equipment.

Student Activity Fund

None

Application for State School Aid

None

Pupil Transportation

None

Facilities and Capital Assets

None

Miscellaneous

None

Follow-up on Prior Year Findings

None