

MANCELONA PUBLIC SCHOOLS
REPORT ON FINANCIAL STATEMENTS
JUNE 30, 2013



Baird, Cotter & Bishop, P.C.
SERVING YOUR PAST, PRESENT & FUTURE

CERTIFIED PUBLIC ACCOUNTANTS
134 WEST HARRIS STREET CADILLAC, MICHIGAN 49601 PHONE: (231) 775-9789 FAX: (231) 775-9749
www.bcbcpa.com

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2013

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MANCELONA, MICHIGAN

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www.bcbcpa.com

August 2, 2013

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Mancelona Public Schools
Mancelona, Michigan

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 Mancelona Public Schools, Mancelona, Michigan as of and for the year ended June 30, 2013, 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*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Mancelona Public Schools, Mancelona, Michigan as of June 30, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter – Change in Accounting Principle

As discussed in Note 3.L.2 to the financial statements, Mancelona Public Schools implemented Governmental Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages iv through x and 30 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 Mancelona Public Schools' basic financial statements. The combining and individual fund financial statements and other information section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 2, 2013, on our consideration of Mancelona 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 Mancelona Public Schools' internal control over financial reporting and compliance.

BAIRD, COTTER AND BISHOP, P.C.

Baird, Cotter & Bishop, P.C.

Mancelona Public Schools
Mancelona, Michigan
Management's Discussion and Analysis
For Fiscal Year Ended June 30, 2013

Mancelona Public Schools, a K-12 school district, serves residents in Antrim and Kalkaska Counties, Michigan, as well as schools of choice students throughout the area. Our school strives to meet the highest educational standards and takes pride in our school motto "Strong Kids Strong Education." The District has an outstanding Early Childhood Program which includes an on-site daycare center, an early childhood program geared toward children with special needs, and a Great Start Readiness Program.

The District is unique in the network of outstanding community partnerships. Encouraging family and community involvement through organizations and tools such as Mancelona Communities in Schools, Get Involved (parent group), Mancelona Educational Foundation and Powerschool are also important to the District's achievement. In addition, the District is fortunate to have the Resource Center and Ironmen Health Center (on the middle school campus), which are both vital to the District's success.

Impressive, well-maintained facilities and state of the art technology lead to an excellent academic experience at Mancelona Public Schools. As a leading "Schools of Choice" district, we offer many web-based learning opportunities such as online credit recovery, college courses through dual enrollment, and advanced placement courses. We have recently been recognized as a MiBLSi model school as well as recognized regionally for the success upon implementation of a new reading program in Kindergarten through 6th grade. Mancelona Public Schools is proud of their athletic, band, choir, woodshop, drafting, and visual art programs.

Generally accepted accounting principles (GAAP), according to GASB 34, require the reporting of two types of financial statements: fund financial statements and government-wide financial statements.

A. Fund Financial Statements

The fund level statements are reported on a modified accrual basis in that only those assets that are "measurable" and "currently available" are reported. Liabilities are recognized to the extent they are normally expected to be paid with current financial resources.

The fund statements are formatted to comply with the legal requirements of the Michigan Department of Education's "Accounting Manual." In the State of Michigan, school districts' major instructional and instructional support activities are reported in the General Fund. Additional activities are reported in various other funds. These include Special Revenue Funds, Debt Service Funds, and Capital Projects Funds.

In the fund financial statements, capital assets purchased are reported as expenditures in the year of acquisition with no asset being reported. The issuance of debt is recorded as a financial resource. The current year's payments of principal and interest on long-term obligations are recorded as expenditures. The obligations for future years' debt service are not recorded in the fund financial statements.

B. Government-Wide Financial Statements

These statements are calculated using full accrual accounting and more closely resemble those presented by business and industry. The District's entire assets and liabilities, both short and long-term, are reported. As such, these statements include capital assets, net of related depreciation, as well as the bonded debt of the District.

**Mancelona Public Schools
Mancelona, Michigan
Management's Discussion and Analysis
For Fiscal Year Ended June 30, 2013**

C. Summary of Net Position

The following schedule summarizes the net position at fiscal year ended June 30,

	2013	2012
Assets		(as restated)
Current Assets	\$ 3,777,568	\$ 2,846,149
Non Current Assets		
Capital Assets	19,775,121	19,587,824
Less Accumulated Depreciation	(8,860,706)	(8,461,153)
Total Non Current Assets	10,914,415	11,126,671
TOTAL ASSETS	14,691,983	13,972,820
Deferred Outflows of Resources		
Deferred Charges on Refunding	171,337	224,121
Liabilities		
Current Liabilities	2,129,740	2,009,798
Non Current Liabilities	7,918,522	7,787,724
TOTAL LIABILITIES	10,048,262	9,797,522
Net Position		
Net Investment in Capital Assets	3,078,581	3,027,205
Restricted	314,740	295,899
Unrestricted	1,421,737	1,076,315
TOTAL NET POSITION	\$ 4,815,058	\$ 4,399,419

D. Analysis of Financial Position

During the fiscal year ended June 30, 2013, the District's net position increased by \$415,639. A few of the more significant factors affecting net position during the year are discussed below:

1. Depreciation Expense

GASB 34 requires school districts to maintain a record of annual depreciation expense and the accumulation of depreciation expense over time. The net increase in accumulated depreciation is a reduction in net position.

Depreciation expense is recorded on a straight-line basis over the estimated useful lives of the assets. In accordance with GAAP, depreciation expense is calculated based on the original cost of the asset less an estimated salvage value, where applicable. For the fiscal year ended June 30, 2013, \$399,553 was recorded for depreciation expense.

**Mancelona Public Schools
Mancelona, Michigan
Management's Discussion and Analysis
For Fiscal Year Ended June 30, 2013**

2. Capital Asset Acquisitions

For the fiscal year ended June 30, 2013, \$187,297 of expenditures were capitalized and recorded as assets of the District. These additions to the District's capital assets will be depreciated over time as explained above.

The net effect of the new capital assets, the write off of the assets disposed of during the year, and the current year's depreciation is a net decrease in capital assets in the amount of \$212,256 for the fiscal year ended June 30, 2013.

E. Results of Operations

For the years ended June 30, the results of operations, on a district-wide basis, were:

	2013		2012	
	Amount	% of Total	Amount	% of Total
General Revenues				
Property Taxes	\$ 4,256,421	39.16%	\$ 4,245,487	38.10%
Investment Earnings	6,294	0.07%	7,141	0.07%
State Sources	3,828,457	35.22%	3,821,262	34.29%
Other	169,940	1.56%	332,018	2.98%
Total General Revenues	<u>8,261,112</u>	<u>76.01%</u>	<u>8,405,908</u>	<u>75.44%</u>
Program Revenues				
Charges for Services	316,699	2.91%	330,669	2.96%
Operating Grants	2,291,053	21.08%	2,406,495	21.60%
Total Program Revenues	<u>2,607,752</u>	<u>23.99%</u>	<u>2,737,164</u>	<u>24.56%</u>
 Total Revenues	 <u>10,868,864</u>	 <u>100.00%</u>	 <u>11,143,072</u>	 <u>100.00%</u>
Expenses	2013		2012 (as restated)	
	Amount	% of Total	Amount	% of Total
Instruction	5,010,268	47.93%	5,419,157	50.24%
Supporting Services	3,934,055	37.63%	3,897,974	36.14%
Food Service Activities	769,793	7.36%	606,009	5.62%
Custody and Care of Children	248,988	2.38%	278,475	2.58%
Community Services	2,719	0.03%	6,143	0.06%
Prior Period Adjustment	10,823	0.10%	24,709	0.22%
Interest on Long-Term Debt	396,872	3.80%	479,303	4.44%
Other Transactions	55,510	0.54%	51,246	0.48%
Unallocated Depreciation	24,197	0.23%	24,197	0.22%
Total Expenses	<u>10,453,225</u>	<u>100.00%</u>	<u>10,787,213</u>	<u>100.00%</u>
Change in Net Position	<u>\$ 415,639</u>		<u>\$ 355,859</u>	

**Mancelona Public Schools
Mancelona, Michigan
Management's Discussion and Analysis
For Fiscal Year Ended June 30, 2013**

F. Analysis of Significant Revenues and Expenses

Significant revenues and expenses are discussed in the segments below:

1. Property Taxes

The District levies 18 mills of property taxes for operations on non-homestead real properties and certain personal properties. According to Michigan law, the tax levy is based on the taxable valuation of properties. The annual taxable valuation increases are capped at the rate of the prior year's Consumer's Price Index increase or 5%, whichever is less. At the time property is sold, its taxable valuation is readjusted to the State Equalized Value, which in theory is half of the property's market value.

For the 2012-2013 fiscal year, the District levied \$3,027,589 in Non-Principal Residence Exemption property taxes. This is comparable to the prior year. The amount of unpaid property taxes at June 30, 2013, was \$36,134.

The following table summarizes the non-principal residence exemption property tax levies for operations for the past five years:

Fiscal Year	Non-Principal Residence Exemption Tax Levy	% Increase (Decrease) from Prior Year
2012-2013	\$ 3,027,589	0.45%
2011-2012	3,014,127	(4.30)%
2010-2011	3,150,288	(4.30)%
2009-2010	3,291,926	1.47%
2008-2009	3,244,369	(1.48)%

2. State Sources

The majority of the state sources is comprised of the per student foundation allowance. The State of Michigan funds districts based on pupil membership counts taken in February and October of 2012. For the 2012-2013 fiscal year, the district per pupil funding equated to \$6,966.

3. Student Enrollment

The following schedule summarizes the blended student enrollment for the past five fiscal years:

Fiscal Year	Blended Student FTE	FTE Change from Prior Year
2012-2013	993	(9)
2011-2012	1,002	(34)
2010-2011	1,036	(20)
2009-2010	1,056	(38)
2008-2009	1,094	(32)

**Mancelona Public Schools
Mancelona, Michigan
Management's Discussion and Analysis
For Fiscal Year Ended June 30, 2013**

4. Operating Grants

The District funds a significant portion of its operations with categorical sources. For the fiscal year ended June 30, 2013, federal, state, and other grants amounted to \$2,291,053. This represents a decrease of total grant sources of \$115,442 from the total grant sources received for the 2011-2012 fiscal year.

5. Comparative Expenditures

A comparison of the expenditures reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances is shown below:

Expenditures by Fund Type	2012-2013 Fiscal Year	2011-2012 Fiscal Year	Increase (Decrease)
General Fund	\$ 8,489,959	\$ 9,070,831	\$ (580,872)
Food Service Fund	790,609	610,394	180,215
Latch Key Fund	248,988	278,475	(29,487)
Debt Service Funds	1,105,130	1,155,194	(50,064)
Capital Projects Funds	339,241	99,374	239,867
Total Expenditures	\$ 10,973,927	\$ 11,214,268	\$ (240,341)

Expenditures by Function	2012-2013 Fiscal Year	2011-2012 Fiscal Year	Increase (Decrease)
Instruction	\$ 4,995,089	\$ 5,421,388	\$ (426,299)
Supporting Services	3,741,386	3,677,086	64,300
Food Service Activities	787,067	606,852	180,215
Custody & Care of Children	248,988	278,475	(29,487)
Community Services	2,719	6,143	(3,424)
Prior Period Adjustments	10,823	24,709	(13,886)
Debt Service	1,132,345	1,148,369	(16,024)
Other Transactions	55,510	51,246	4,264
Total Expenditures	\$ 10,973,927	\$ 11,214,268	\$ (240,341)

G. General Fund Budgetary Highlights

The Uniform Budgeting and Accounting Act of the State of Michigan requires that the local Board of Education approve the original budget for the upcoming fiscal year prior to its starting on July 1. Any amendments made to the operating budget must be approved by the Board prior to the close of the fiscal year on June 30.

**Mancelona Public Schools
Mancelona, Michigan
Management's Discussion and Analysis
For Fiscal Year Ended June 30, 2013**

For the 2012-2013 fiscal year, the District amended the General Fund budget twice, with the Board adopting the changes in March and June 2013. The following schedule shows a comparison of the original General Fund budget, the final amended General Fund budget, and actual totals from operations:

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Total Revenues	\$ 8,252,424	\$ 8,653,427	\$ 8,594,550	\$ (58,877)
Expenditures				
Instruction	\$ 4,977,011	\$ 5,045,089	\$ 4,995,089	\$ (50,000)
Supporting Services	3,386,069	3,486,454	3,426,497	(59,957)
Community Services	1,000	2,500	2,719	219
Prior Period Adjustments	0	15,000	10,823	(4,177)
Other Transactions	46,300	58,958	54,831	(4,127)
Total Expenditures	\$ 8,410,380	\$ 8,608,001	\$ 8,489,959	\$ (118,042)

The original revenue sources budget of \$8,252,424 was increased to \$8,653,427 as a result of the following: higher student count than anticipated, greater final allocation of Title dollars, increase monies received from the ISD, MEF grant awards, state aid adjustments from prior school years, and retirement rate relief incentive.

Final budgeted expenditures increased as did revenues due to including the grant final allocation of Title dollars, MEF grant awards and retirement rate increases. Other reasons for an increase in expenditures are primarily due to an increase in the costs for insurance, repairs and supplies due to the many factors affecting our economy.

H. Capital Asset and Debt Administration

1. Capital Assets

By the end of the 2012-2013 fiscal year, the District had invested \$10,914,415 in a broad range of capital assets, including school buildings and facilities, school buses and other vehicles, and various types of equipment. This represents a net decrease of approximately \$212,256 from the prior fiscal year. Depreciation expense for the year amounted to \$399,553 bringing the accumulation to \$8,860,706 as of June 30, 2013.

2. Long-Term Debt

At June 30, 2013, the District had \$8,808,728 in long-term debt outstanding. This represents a net increase of \$154,396 over the amount outstanding at the close of the prior fiscal year.

**Mancelona Public Schools
Mancelona, Michigan
Management's Discussion and Analysis
For Fiscal Year Ended June 30, 2013**

I. Factors Bearing on the District's Future

At the time that 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 current economic climate in Michigan creates a great deal of uncertainty for school funding in the future for our district, as well as any other school district in the state. 80% of the District's general fund revenue is generated based on the per pupil amount received from the state's foundation allowance.
- Forecasting enrollment continues to be a budgeting challenge and as a result, we have budgeted for a decline in enrollment for the 2013-2014 school year based on student count trends over the past several years. If this trend continues and since funding is based on enrollment, it will continue to pose a real challenge in maintaining financial stability while continuing current educational programming.
- Rising costs for supplies, gasoline, utilities and health insurance are also posing a challenge financially. We believe as a district that we have budgeted to meet these demands; however, the uncertainty for the future makes it increasingly difficult to determine.

J. Contacting the District's Financial Management

This financial report is designed to provide District citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate accountability for the money it receives. Questions relating to this report, or for additional financial information, may be addressed to the Business Manager, Mancelona Public Schools, 112 St. John Street, Mancelona, MI 49659.

MANCELONA PUBLIC SCHOOLS

MANCELONA, MICHIGAN

STATEMENT OF NET POSITION

JUNE 30, 2013

	<u>GOVERNMENTAL ACTIVITIES</u>
<u>ASSETS</u>	
<u>CURRENT ASSETS</u>	
Cash	\$ 850,734
Restricted Assets-Cash	771,953
Taxes Receivable	36,134
Accounts Receivable	75,829
Due from Other Governmental Units	1,131,257
Prepaid Expense	6,340
Inventory	25,672
Investments	879,649
	<hr/>
Total Current Assets	3,777,568
	<hr/>
<u>NONCURRENT ASSETS</u>	
Capital Assets	19,775,121
Less Accumulated Depreciation	(8,860,706)
	<hr/>
Total Noncurrent Assets	10,914,415
	<hr/>
TOTAL ASSETS	14,691,983
	<hr/>
<u>DEFERRED OUTLOWS OF RESOURCES</u>	
Deferred Charges on Refunding	171,337
	<hr/>

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS

MANCELONA, MICHIGAN

STATEMENT OF NET POSITION

JUNE 30, 2013

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	265,653
Accrued Expenses	433,853
Accrued Interest Payable	51,290
Salaries Payable	505,759
Unearned Revenue	24,643
Current Portion of Noncurrent Liabilities	848,542

Total Current Liabilities 2,129,740

NONCURRENT LIABILITIES

Bonds Payable-Net	8,548,336
Equipment Contracts Payable	3,542
Compensated Absences	145,186
Early Retirement Incentives	70,000
Less Current Portion of Noncurrent Liabilities	(848,542)

Total Noncurrent Liabilities 7,918,522

TOTAL LIABILITIES 10,048,262

NET POSITION

Net Investment in Capital Assets	3,078,581
Restricted for:	
Capital Projects	85,418
Debt Service	138,974
Food Service	90,348
Unrestricted	1,421,737

TOTAL NET POSITION \$ 4,815,058

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS

MANCELONA, MICHIGAN

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2013

<u>FUNCTIONS/PROGRAMS</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>		<u>GOVERNMENTAL</u>
		<u>CHARGES FOR</u>	<u>OPERATING</u>	<u>ACTIVITIES</u>
		<u>SERVICES</u>	<u>GRANTS</u>	<u>NET (EXPENSE)</u>
				<u>REVENUE AND</u>
				<u>CHANGES IN</u>
				<u>NET POSITION</u>
<u>GOVERNMENTAL ACTIVITIES</u>				
Instruction	\$ 5,010,268	\$ 5,019	\$ 1,140,071	\$ (3,865,178)
Supporting Services	3,934,055	51,543	348,353	(3,534,159)
Food Service Activities	769,793	112,254	642,490	(15,049)
Custody and Care of Children	248,988	147,883	106,046	4,941
Community Services	2,719	0	2,719	0
Prior Period Adjustments	10,823	0	51,374	40,551
Interest on Long Term Debt	396,872	0	0	(396,872)
Other Transactions	55,510	0	0	(55,510)
Unallocated Depreciation	24,197	0	0	(24,197)
Total Governmental Activities	<u>\$10,453,225</u>	<u>\$ 316,699</u>	<u>\$ 2,291,053</u>	<u>(7,845,473)</u>
<u>GENERAL REVENUES</u>				
Property Taxes - General Purposes				3,027,589
Property Taxes - Debt Service				1,113,196
Property Taxes - Sinking Fund				115,636
Unrestricted Investment Earnings				6,294
State Sources				3,828,457
Other				169,940
Total General Revenues				<u>8,261,112</u>
Change in Net Position				415,639
<u>NET POSITION</u> - Beginning of Year (as restated)				<u>4,399,419</u>
<u>NET POSITION</u> - End of Year				<u>\$ 4,815,058</u>

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2013

<u>ASSETS</u>	GENERAL FUND	BUS & TECHNOLOGY CAPITAL PROJECTS FUND	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Cash	\$ 533,828	\$ 0	\$ 316,906	\$ 850,734
Restricted Assets - Cash	0	771,953	0	771,953
Taxes Receivable	26,823	0	9,311	36,134
Accounts Receivable	8,582	0	67,247	75,829
Due from Other Funds	283	26,321	2,613	29,217
Due from Other Governmental Units	1,084,162	0	47,095	1,131,257
Inventory	16,642	0	9,030	25,672
Prepaid Expenditures	4,945	0	1,395	6,340
Investments	879,649	0	0	879,649
TOTAL ASSETS	\$ 2,554,914	\$ 798,274	\$ 453,597	\$ 3,806,785
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES,</u>				
<u>AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable	\$ 147,958	\$ 82,230	\$ 35,465	\$ 265,653
Due to Other Funds	28,934	0	283	29,217
Accrued Expenditures	432,263	0	1,590	433,853
Salaries Payable	505,759	0	0	505,759
Unearned Revenue	24,643	0	0	24,643
Total Liabilities	1,139,557	82,230	37,338	1,259,125

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2013

DEFERRED INFLOWS OF RESOURCES

Unavailable Revenue-Property Taxes	26,823	0	9,311	36,134
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FUND BALANCES

Nonspendable:

Inventory	16,642	0	9,030	25,672
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Prepaid Expenditures	4,945	0	1,395	6,340
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Restricted for:

Debt Service	0	0	190,264	190,264
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Capital Projects	0	716,044	85,418	801,462
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Food Service	0	0	81,318	81,318
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Committed for:

Field Trips	3,140	0	0	3,140
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Assigned for:

Custody and Care of Children	0	0	39,523	39,523
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Unassigned	1,363,807	0	0	1,363,807
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Total Fund Balances	1,388,534	716,044	406,948	2,511,526
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TOTAL LIABILITIES, DEFERRED INFLOWS
OF RESOURCES, AND FUND BALANCES

\$ 2,554,914	\$ 798,274	\$ 453,597	\$ 3,806,785
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The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET POSITION

JUNE 30, 2013

Total Governmental Fund Balances	\$ 2,511,526
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds.	
The cost of the capital assets is	\$ 19,775,121
Accumulated depreciation is	<u>(8,860,706)</u> 10,914,415
Property taxes receivable in governmental activities are deferred unless they are collected within sixty days of year end.	36,134
Bond deferred charges, discounts and premiums are expenditures at the modified accrual fund level, but are capitalized and written off over the life of bonds payable at the district-wide full accrual level.	
Deferred (Gain) Loss on Refunding	171,337
Bond Discount (Premium)	41,664
Long-term liabilities are not due and payable in the current period and are not reported in the funds.	
Loans Payable	(3,542)
Bonds Payable	(8,590,000)
Compensated Absences	(145,186)
Early Retirement Incentives	(70,000)
Accrued interest is not included as a liability in governmental funds, it is recorded when paid.	<u>(51,290)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 4,815,058</u></u>

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2013

	GENERAL FUND	BUS & TECHNOLOGY CAPITAL PROJECTS FUND	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<u>REVENUES</u>				
Local Sources	\$ 3,150,004	\$ 71	\$ 1,595,681	\$ 4,745,756
Non-Educational Entity or Political Subdivision	2,743	0	0	2,743
State Sources	4,693,230	0	56,967	4,750,197
Federal Sources	488,271	0	452,688	940,959
Other Transactions	260,302	0	170,303	430,605
 Total Revenues	 8,594,550	 71	 2,275,639	 10,870,260
<u>EXPENDITURES</u>				
Instruction				
Basic Programs	4,104,226	0	0	4,104,226
Added Needs	890,863	0	0	890,863
Supporting Services				
Pupil	280,828	0	0	280,828
Instructional Staff	231,024	0	0	231,024
General Administration	301,155	0	0	301,155
School Administration	627,037	0	0	627,037
Business	280,439	0	0	280,439
Operation and Maintenance	838,703	0	115,118	953,821
Pupil Transportation Services	530,565	0	0	530,565
Central Services	168,619	199,771	0	368,390
Other Support Services	168,127	0	0	168,127
Food Service Activities	0	0	787,067	787,067
Custody and Care of Children	0	0	248,988	248,988
Community Services	2,719	0	0	2,719
Prior Period Adjustments	10,823	0	0	10,823
Debt Service				
Principal	0	0	788,119	788,119
Interest	0	0	319,970	319,970
Bond Issuance Costs	0	24,256	0	24,256
Other Transactions	54,831	0	679	55,510
 Total Expenditures	 8,489,959	 224,027	 2,259,941	 10,973,927
 Excess (Deficiency) of Revenues Over Expenditures	 104,591	 (223,956)	 15,698	 (103,667)

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2013

OTHER FINANCING SOURCES (USES)

Transfers In	0	0	2,372	2,372
Transfers Out	0	0	(2,372)	(2,372)
Face Value of Debt	0	940,000	0	940,000
	<hr/>			
Total Other Financing Sources (Uses)	0	940,000	0	940,000
	<hr/>			
Net Change in Fund Balance	104,591	716,044	15,698	836,333
<u>FUND BALANCE</u> - Beginning of Year	1,283,943	0	391,250	1,675,193
	<hr/>			
<u>FUND BALANCE</u> - End of Year	<u>\$ 1,388,534</u>	<u>\$ 716,044</u>	<u>\$ 406,948</u>	<u>\$ 2,511,526</u>

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2013

Net Change in Fund Balances-Total Governmental Funds \$ 836,333

Amounts reported for governmental activities are different because:

In governmental funds property taxes receivable are deferred unless they are collected within sixty days of year end.

Unavailable Property Tax Revenue - Beginning of Year	(37,530)
Unavailable Property Tax Revenue - End of Year	36,134

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	(399,553)
Capital Outlay	187,297

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 - End of Year	(51,290)
Accrued Interest Payable - Beginning of Year	53,253

Costs related to issuance of long-term debt and losses on early defeasance of long-term debt are a current expense in governmental funds, but are capitalized and amortized in the Statement of Activities.

Amortization of Deferred Charges	(54,609)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt is an expenditure in the governmental funds, but not in the Statement of Activities (where it is a reduction of liabilities).

Repayment of Debt	788,119
Issuance of Debt	(940,000)

Employees Early Retirement and 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.

Early Retirement and Compensated Absences - Beginning of Year	212,671
Early Retirement and Compensated Absences - End of Year	<u>(215,186)</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 415,639

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

JUNE 30, 2013

	<u>AGENCY FUND</u>
<u>ASSETS</u>	
Cash	\$ 124,857
 <u>LIABILITIES</u>	
Due to Groups and Organizations	<u>124,857</u>
 <u>NET POSITION</u>	 <u><u>\$ 0</u></u>

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The School District (the "District") is located in Antrim and Kalkaska Counties with its administrative offices located in Mancelona, Michigan. The District operates under an elected 7-member board of education which has responsibility and control over all activities related to public school education within the District. The District receives funding from local, state, and federal government sources and must comply with all of the requirements of these funding source entities. However, the District is not included in any other governmental reporting entity as defined by generally accepted accounting principles. 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.

B. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report the information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable. The District does not have any business-type activities or component units.

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 government's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. 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.

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 *Bus & Technology Capital Projects Fund* accounts for the acquisition of capital assets or construction of major capital projects.

Other Non-Major Funds:

The *Special Revenue (School Service) Funds* account for revenue sources that are legally restricted to expenditures for specific purposes. The District accounts for its food service and child care activities in a special revenue funds.

The *Debt Service Funds* account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of government funds. The 2004 Debt Retirement Fund, 2005 Debt Retirement Fund, and Durant Debt Retirement Fund are nonmajor funds.

The *Capital Projects Funds* account for the acquisition of capital assets or construction of major capital projects. The Sinking Capital Projects Fund and Stadium Capital Projects Fund are nonmajor.

Additionally, the District reports the following fund type:

Fiduciary funds are accounted for using the accrual method of accounting. Fiduciary funds account for assets held by the District in a trustee capacity or as an agent on behalf of others. This fund is custodial in nature and does not involve measurement of results of operations. Accordingly, it presents only a statement of fiduciary net position and does not present a statement of changes in fiduciary net position. 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 District reports the following fiduciary fund:

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.

During the course of operations the government 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, certain eliminations are made in the preparation of the government-wide financial statements. Balances

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

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, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

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 government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment.

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

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

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

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

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue resource (within 60 days of year end). 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). All other revenue items are considered to be measurable and available only when cash is received by the government.

The agency fund has no measurement focus but utilizes the *accrual basis of accounting* for reporting its assets and liabilities.

F. Budgetary Information

1. Budgetary Basis of Accounting

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

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized in the governmental funds. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

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

- a) The superintendent submits to the school board a proposed operating budget for the fiscal year commencing on July 1.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

- b) A public hearing is conducted to obtain taxpayer comments.
- c) Prior to July 1, the budget is legally adopted by the School Board resolution pursuant to the Uniform Budgeting and Accounting Act. 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 financial 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.
- d) The superintendent is charged with general supervision of the budgets and shall hold the department heads responsible for performance of their responsibilities.
- e) For purposes of meeting emergency needs of the District, transfer of appropriations may be made by the authorization of the superintendent. Such transfers of appropriations must be approved by the Board of Education at its next regularly scheduled meeting.
- f) During the year the budgets are monitored and amendments to the budget resolution are made when it is deemed necessary.
- g) Budgeted amounts are as originally adopted on June 26, 2012, or as amended by the School Board of Education throughout the year.

2. *Excess of Expenditures over Appropriations*

Excess of expenditures over appropriations occurred in the following funds:

General Fund Community Services expenditures of \$2,719 exceeded appropriations of \$2,500. This overage was funded by reduced spending in other programs and available fund balance.

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

1. *Cash and Investments*

Cash includes amounts in demand deposits.

Investments are carried at market value.

The District complies with State statutes regarding investment of funds.

The Board policy on investment of funds authorizes the District to invest as follows:

- a) Bonds, bills, or notes of the United States, or obligations, the principal and interest of which are fully guaranteed by the United States.
- b) Certificates of deposit issued by any state or national bank organized and authorized to operate in this state.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

- c) Commercial paper rated prime at the time of purchase and maturing not more than 270 days after the date of purchase.
- d) Mutual funds composed entirely of investment vehicles that are legal for direct investment by a school district.
- e) Investment pools, as authorized by the Surplus Funds Investment Pool Act, Act No 367 of the Public Acts of 1982, being sections 129.111 to 129.118 of the Michigan Compiled Laws, composed entirely of instruments that are legal for direct investment by a school district.

The Schools' deposits and investments are held separately by several of the District's funds.

2. *Inventory and Prepaid Items*

Inventories are valued at cost. Inventory consists of supplies held for consumption. Inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenditures.

3. *Capital Assets*

Capital assets, which include property and equipment, are reported in the governmental activities column in the District-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. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at 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.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings, Additions and Land Improvements	20-50
Furniture and Other Equipment	5-15

4. *Compensated Absences*

It is the District's policy to permit employees to accumulate earned but unused sick pay benefits. The amount allowable to be compensated for depends on the position and the longevity of the individual employee. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

5. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities 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.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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 issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

6. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District 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 funding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. The 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 revenue for delinquent personal property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

7. *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.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

8. *Fund Balance Flow Assumption*

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.

9. *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 governing board is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) 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 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.

10. *Use of Estimates*

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

11. *Restricted Assets*

Certain cash resources are classified as restricted assets on the balance sheet because their use is limited by applicable debt covenants and they are maintained in separate bank accounts.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

H. Revenues and Expenditures/Expenses

1. State Revenue

The State of Michigan utilizes a foundation grant approach which provides for a specific annual amount of revenue per pupil based on a statewide formula. The Foundation is funded from state and local sources. Revenues from state sources are primarily governed by the School Aid Act and the School Code of Michigan. The Michigan Department of Education administers the allocation of state funds to school districts based on information supplied by the districts. For the year ended June 30, 2013 the foundation allowance was based on pupil membership counts taken in February and October of 2012. For fiscal year ended June 30, 2013, the per pupil foundation allowance was \$6,966 for Mancelona Public Schools.

The state portion of the foundation is provided primarily by a state education property tax millage of 6 mills and an allocated portion of state sales and other taxes. The local portion of the foundation is funded primarily by non-homestead property taxes, which may be levied at a rate of up to 18 mills. The State revenue is recognized during the foundation period and is funded through payments from October 2012 to August 2013. Thus, the unpaid portion at June 30th is reported as due from other governmental units.

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

2. Program Revenues

Amounts reported as program revenue include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, state foundation aid, certain revenue from the intermediate school district and other unrestricted items are not included as program revenue but instead as *general revenues*.

3. Property Taxes

Property taxes levied by the District are collected by various municipalities and periodically remitted to the District. Property taxes are assessed as of January 1, and due July 1. Unpaid taxes become delinquent as of September 14 and are subject to penalties and interest after that date.

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For the year ended June 30, 2013, the District levied the following amounts per \$1,000 of taxable valuation:

<u>Fund</u>	<u>Mills</u>
General Fund - Non-Principal Residence Exemption (PRE)	18.0000
General Fund - Commercial Personal Property	6.0000
Debt Service Funds - PRE, Non-PRE, Commercial Personal Property	3.8500
Sinking Fund - PRE, Non-PRE, Commercial Personal Property	0.4000

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Violations of Legal or Contractual Provisions

Note 1.F.2, on the Excess of Expenditures over Appropriations, describes a budgetary violation that occurred for the year ended June 30, 2013.

NOTE 3 – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits and Investments

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. As of June 30, 2013, the District’s bank balance was \$1,979,600 and \$122,097 of that amount was exposed to custodial credit risk because it was uninsured and uncollateralized. Although the District’s investment policy does not directly address custodial credit risk, it typically limits its exposure by purchasing insured or registered investments or by controlling who holds the deposits.

Foreign Currency Risk. The District is not authorized to invest in investments which have this type of risk; therefore, it is not addressed in the investment policy.

Custodial Credit Risk –Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government 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’s investments are categorized to give an indication of the level of risk assumed by the District at year end. Category 1 includes investments that are insured or registered, or securities held by the District or the District’s agent in the District’s name. Although the District’s investment policy does not directly address custodial credit risk, it typically limits its exposure by purchasing insured or registered investments or by controlling who holds the investments.

Category 2 includes investments that are uninsured and unregistered with securities held by the counterparty’s trust department or its agent in the District’s name. Category 3 includes investments that are uninsured and unregistered, with the securities held by the counterparty, or by its trust

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

department or its agent but not in the District's name. At year end all of the District's investments were uncategorized as to risk.

The District invests certain excess funds in the Michigan Investment Liquid Asset Fund (MILAF). MILAF is an external pooled investment fund of "qualified" investments for Michigan school districts. MILAF is not regulated nor is it registered with the SEC. MILAF reports that as of June 30, 2013, the fair value of the District's investments is the same as the value of the pool shares.

Balance sheet classifications:

	Deposits	Investments	Fiduciary Assets	Total
Cash	\$ 850,734	\$ 0	\$ 124,857	\$ 975,591
Cash - Restricted	771,953	0	0	771,953
Investments	0	879,649	0	879,649
	\$ 1,622,687	\$ 879,649	\$ 124,857	\$ 2,627,193

B. Receivables

Receivables as of year end for the government's individual major funds and nonmajor are as follows:

	General	Nonmajor and Other Funds	Total
Receivables			
Taxes	\$ 26,823	\$ 9,311	\$ 36,134
Accounts	8,582	67,247	75,829
Due from Other Governmental Units	1,084,162	47,095	1,131,257
	\$1,119,567	\$ 123,653	\$ 1,243,220

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

Because of the District's favorable collection experience, no allowance for doubtful accounts has been recorded.

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C. Capital Assets

Capital assets activity for the year ended June 30, 2013, was as follows:

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Capital Assets not Being Depreciated:				
Land	\$ 118,713	\$ 0	\$ 0	\$ 118,713
Capital Assets Being Depreciated				
Land Improvements	704,717	0	0	704,717
Buildings and Additions	17,036,666	74,825	0	17,111,491
Machinery and Equipment	908,007	67,026	0	975,033
Transportation Equipment	819,721	45,446	0	865,167
Subtotal	19,469,111	187,297	0	19,656,408
Less Accumulated Depreciation For:				
Land Improvements	(354,264)	(32,624)	0	(386,888)
Buildings and Additions	(6,767,135)	(280,908)	0	(7,048,043)
Machinery and Equipment	(662,568)	(44,997)	0	(707,565)
Transportation Equipment	(677,186)	(41,024)	0	(718,210)
Total Accumulated Depreciation	(8,461,153)	(399,553)	0	(8,860,706)
Total Capital Assets Being Depreciated, Net	11,007,958	(212,256)	0	10,795,702
Capital Assets, Net	\$ 11,126,671	\$ (212,256)	\$ 0	\$ 10,914,415

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

Basic Programs	\$ 4,063
Operation and Maintenance	293,808
Pupil Transportation	41,024
Technology	23,059
Food Service Activities	4,490
Other Support Services	8,912
Unallocated	24,197
Total Depreciation	<u>\$ 399,553</u>

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D. Employee Retirement System

Plan Description. The District contributes to the statewide Michigan Public School Employees' Retirement System (MPERS), a cost-sharing multiple-employer state-wide defined benefit public employee retirement plan governed by the State of Michigan. The MPERS provides retirement survivor and disability benefits and postretirement benefits for health, dental and vision for substantially all employees of the District. The MPERS was established by Act 136 of 1945 and operated under the provisions of Public Act 300 of 1980, as amended. 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 or by calling (800) 381-5111.

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

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

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

The District is required to contribute the full actuarial funding contribution amount to fund pension benefits, plus an additional amount to fund retiree health care benefit amounts on a cash disbursement basis. For the period October 1 through September 30, the District pays an amount equal to a percentage of its employees' wages to the Michigan Public School Employees Retirement.

The system ("MPERS") is administered by the State of Michigan. These contributions are required by law and are calculated by using the contributions rates and periods provided in the table below of the employees' wages. In addition, the District is required to match 50% of the employees' contributions, up to 1% of the employees' compensation in the Pension Plus plan.

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Additionally, Public Act 300 of 2012 was enacted on September 4, 2012. As a result, any employee that was hired after September 4, 2012, can choose to become a member of the MPSERS Pension Plus plan or a separate MPSERS Defined Contribution plan. Employees that elect to become a member of the MPSERS Defined Contribution plan, the District is required to match 50% of the employees' contributions, up to 4% of the employee's compensation.

The contribution requirements of plan members and the District are established and may be amended by the MPSERS board of Trustees. The District contributions to MPSERS were equal to the required contribution for those years.

The District's contributions to MPSERS are as follows:

Contribution Period	Pension Plus		Pension Plus PHF	From	From	Basic/MIP with PHF
	Basic MIP with Premium Subsidy	with Premium Subsidy		Basic/MIP and Pension Plus to Defined Contribution with Premium Subsidy	Basic/MIP to Defined Contribution with Premium Subsidy	
7/1/12 - 9/30/12	24.46%	23.23%	N/A	N/A	N/A	N/A
10/1/12 - 1/31/13	25.36%	24.13%	23.20%	20.96%	N/A	N/A
2/1/13 - 6/30/13	24.32%	24.13%	23.20%	20.96%	21.89%	23.39%

Fiscal Year Ending June 30,	Contributions to MPSERS
2013	\$1,014,438
2012	1,012,058
2011	825,084

Other Post Employment Benefits Funding Policy. Benefit provisions of the postemployment healthcare plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, established eligibility and benefit provisions. Retirees have the option of health coverage, which is funded on a cash disbursement basis by the employers. The System has contracted to provide the comprehensive group medical, hearing, dental and vision coverage for retirees and beneficiaries. A significant portion of the premiums is paid by the System with the balance deducted from the monthly pension of each retiree health care recipient. Public Act 75 of 2010 requires each actively employed member of MPSERS after June 30, 2010, to contribute 3%. The District does not contribute 3% to employees hired after September 4, 2012 or for any employees that elected into the newly created Personal Healthcare Fund, as discussed below.

As noted above, Public Act 300 of 2012 was enacted on September 4, 2012. This legislature affects employees hired after September 4, 2012 or employees that elect out of the pre-existing

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postemployment healthcare plan and into a new Personal Healthcare Fund. The District is required to contribute 2% of each applicable employee's salary to this fund.

Pension recipients are generally eligible for Health Plan, Dental Plan, Vision Plan and Hearing coverage.

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

E. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District participates in two distinct pools of educational institutions within the State of Michigan for self-insuring property and casualty and workers' disability compensation. The pools are considered public entity risk pools. The District pays annual premiums under a retrospectively rated policy to the pools for the respective insurance coverage. In the event a pool's total claims and expenses for a policy year exceed the total normal annual premiums for said years, all members of the specific pool's policy year may be subject to special assessment to make up the deficiency. The workers' compensation pool and the property casualty pool maintain reinsurance for claims generally in excess of \$500,000 for each occurrence with the overall maximum coverage varying depending on the specific type coverage of reinsurance.

The District continues to carry commercial insurance for other risks of loss, including employee health and accident insurance. No settlements have occurred in excess of coverage for June 30, 2013 or any of the prior three years.

F. Long-Term Liabilities

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.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

The following is a summary of the governmental long-term liability transactions for the District for the year ended June 30, 2013:

	Early Retirement Incentives and Compensated Absences	Bonds	Equipment Loans	Total
<u>Balance:</u> July 1, 2012	\$ 212,671	\$ 8,434,577	\$ 7,084	\$ 8,654,332
Additions	37,515	940,000	0	977,515
Deletions	(35,000)	(784,577)	(3,542)	(823,119)
<u>Balance:</u> June 30, 2013	215,186	8,590,000	3,542	8,808,728
Less current portion	(30,000)	(815,000)	(3,542)	(848,542)
Total due after one year	<u>\$ 185,186</u>	<u>\$ 7,775,000</u>	<u>\$ 0</u>	<u>\$ 7,960,186</u>

At June 30, 2013, the District's long-term debt consisted of the following issues:

2004 School Refunding Bonds due in annual installments of \$720,000 to \$765,000 through May 1, 2018, interest at 3.500% to 3.950%	\$ 3,710,000
2005 Refunding Bonds due in annual installments of \$45,000 to \$800,000 from May 1, 2018 to May 1, 2023, interest at 3.800% to 4.050%	3,940,000
2013 School Technology and Bus Bonds due in annual installments of \$50,000 to \$180,000 through May 1, 2020, interest at 1.55%	940,000
Kitchen Equipment Note Payable in annual installments of \$3,542, no interest	3,542
Bond (Discount)	(41,664)
Early Retirement Incentives	70,000
Compensated Absences	<u>145,186</u>
Total long-term debt	<u>\$ 8,767,064</u>

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

The requirements to amortize debt outstanding as of June 30, 2013, including interest of \$1,721,166 are as follows:

Year ending June 30,	<u>Bonds</u>		<u>Equipment Loans</u>		<u>Early Retirement Incentives</u>		Amounts Payable
	Principal	Interest	Principal	Interest	Principal	Interest	
2014	\$ 815,000	\$ 307,738	\$ 3,542	\$ 0	\$ 30,000	\$ 0	\$ 1,156,280
2015	840,000	280,190	0	0	30,000	0	1,150,190
2016	870,000	251,690	0	0	5,000	0	1,126,690
2017	910,000	221,926	0	0	5,000	0	1,136,926
2018	925,000	191,030	0	0	0	0	1,116,030
2019-2023	4,230,000	468,592	0	0	0	0	4,698,592
	<u>\$ 8,590,000</u>	<u>\$ 1,721,166</u>	<u>\$ 3,542</u>	<u>\$ 0</u>	<u>\$ 70,000</u>	<u>\$ 0</u>	<u>10,384,708</u>

Accumulated Sick Pay	145,186
	<u>\$ 10,529,894</u>

The annual requirements to amortize the compensated absences are uncertain because it is unknown when they will be used.

Compensated absences and early retirement incentives will be paid by the fund in which the employee worked, including the general fund and other governmental funds.

G. Interfund Receivables and Payables

	<u>INTERFUND RECEIVABLES</u>	<u>INTERFUND PAYABLES</u>
General Fund	\$ 283	\$ 28,934
Bus & Technology Capital Projects Fund	26,321	0
School Service Fund - Food Service	0	283
School Service Fund - Latch Key	2,613	0
	<u>\$ 29,217</u>	<u>\$ 29,217</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. All interfund balances outstanding at June 30, 2013 are expected to be repaid within one year.

H. Interfund Transfers

	<u>TRANSFERS IN</u>	<u>TRANSFERS OUT</u>
School Service Fund - Food Service	\$ 0	\$ 2,372
School Service Fund - Latch Key	2,372	0
	<u>\$ 2,372</u>	<u>\$ 2,372</u>

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JUNE 30, 2013

Transfers are used to (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

I. Leases

The rental expense for the year ended June 30, 2013, totaled \$25,431.

The rental expense consists of lease agreements for office equipment. The future minimum lease payments for these leases are as follows:

<u>YEAR ENDING</u>	<u>PAYABLES</u>
2014	\$ 23,985
2015	22,623
2016	19,222
2017	3,456
	<u>\$ 69,286</u>

J. Sinking Fund Tax Levy

On February 28, 2012, the taxpayers approved a reauthorization of a sinking fund tax levy. The District is authorized to levy .4000 mills for 5 years beginning with the 2012 tax roll. The Sinking Fund will be used for the repairs of school buildings. The transactions for the Sinking Fund are accounted for in a capital projects fund. For this fund, the District has complied with the applicable provisions of §1212(1) of the Revised School Code and the applicable section of the Revised Bulletin for School District Audits of Bonded Construction Funds and of Sinking Funds in Michigan.

K. Related Party Transactions

The District purchased petroleum products from a business owned by a board member's family totaling \$84,186 for the year. The District solicited competitive bids in 2011 and this vendor was the low bidder.

L. Other Information

1. Commitments and Contingencies

Under the terms of various federal and state grants and regulatory requirements, periodic audits are required and certain cost may be questioned as not being appropriate expenditures under the terms of the grants and requirements. Such audits could lead to reimbursement of the grantor or regulatory agencies. However, management does not believe such disallowances, if any, would be material to the financial position of the District.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

2. *New GASB Standards*

Effective July 1, 2012 the District adopted GASB Statement 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position” and GASB Statement 65, “Items Previously Recognized as Assets and Liabilities”. These statements establish and clarify new components of the statement of position, “Deferred Inflows of Resources” and “Deferred Outflows of Resources”. At June 30, 2013, the District has one item, deferred charges on refunding, which is considered a deferred outflow of resources. GASB 63 also changes the term “net assets”, which was previously made up of assets less liabilities, to “net position”, which is now made up of assets, deferred outflows of resources, liabilities and deferred inflows of resources. Accordingly any reference to “net assets” has been changed to “net position”.

GASB Statement 65 also states that bond issuance costs should be expensed in the year which they are incurred. As a result, the beginning net positions were restated and the remaining unamortized bond issuance costs were written off prior to the beginning of the year. The restatement of the beginning net position is as follows:

	Governmental Activities
Net Position as previously stated, June 30, 2012	\$ 4,464,427
Adoption of GASB 65	(65,008)
Net Position as restated, June 30, 2012	\$ 4,399,419

3. *Capital Projects Fund*

The Bus & Technology 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.

NOTE 4 – UPCOMING ACCOUNTING PRONOUCEMENTS

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

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REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
<u>REVENUES</u>			
Local Sources	\$ 2,989,977	\$ 3,147,643	\$ 3,150,004
Non-Educational Entity or Political Subdivision	0	2,743	2,743
State Sources	4,683,947	4,723,053	4,693,230
Federal Sources	418,500	520,630	488,271
Other Transactions	160,000	259,358	260,302
Total Revenues	8,252,424	8,653,427	8,594,550
<u>EXPENDITURES</u>			
Instruction			
Basic Programs	4,013,696	4,133,311	4,104,226
Added Needs	963,315	911,778	890,863
Supporting Services			
Pupil	310,254	304,773	280,828
Instructional Staff	216,773	244,972	231,024
General Administration	319,937	307,067	301,155
School Administration	638,278	631,390	627,037
Business	230,302	280,473	280,439
Operation and Maintenance	801,761	847,190	838,703
Pupil Transportation Services	549,609	531,806	530,565
Central Support Services	145,300	169,819	168,619
Other Support Services	173,855	168,964	168,127
Community Services	1,000	2,500	2,719
Prior Period Adjustments	0	15,000	10,823
Other Transactions	46,300	58,958	54,831
Total Expenditures	8,410,380	8,608,001	8,489,959
Excess (Deficiency) of Revenues Over Expenditures	(157,956)	45,426	104,591
<u>FUND BALANCE</u> - Beginning of Year	1,187,432	1,283,943	1,283,943
<u>FUND BALANCE</u> - End of Year	\$ 1,029,476	\$ 1,329,369	\$ 1,388,534

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COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUND TYPES

JUNE 30, 2013

	<u>SPECIAL REVENUE FUNDS</u>		<u>DEBT SERVICE FUNDS</u>			<u>CAPITAL PROJECTS FUNDS</u>		<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
	<u>FOOD SERVICE</u>	<u>LATCHKEY</u>	<u>2004 DEBT RETIREMENT</u>	<u>2005 DEBT RETIREMENT</u>	<u>DURANT DEBT RETIREMENT</u>	<u>SINKING</u>	<u>STADIUM</u>	
<u>ASSETS</u>								
Cash	\$ 10,079	\$ 29,268	\$ 149,265	\$ 40,999	\$ 0	\$ 84,170	\$ 3,125	\$ 316,906
Taxes Receivable	0	0	4,355	4,398	0	558	0	9,311
Accounts Receivable	55,358	11,889	0	0	0	0	0	67,247
Due from Other Funds	0	2,613	0	0	0	0	0	2,613
Due from Other Governmental Units	41,300	5,795	0	0	0	0	0	47,095
Inventory	9,030	0	0	0	0	0	0	9,030
Prepaid Expenditures	0	1,395	0	0	0	0	0	1,395
TOTAL ASSETS	\$ 115,767	\$ 50,960	\$ 153,620	\$ 45,397	\$ 0	\$ 84,728	\$ 3,125	\$ 453,597
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>								
<u>LIABILITIES</u>								
Accounts Payable	\$ 25,136	\$ 8,452	\$ 0	\$ 0	\$ 0	\$ 1,877	\$ 0	\$ 35,465
Due to Other Funds	283	0	0	0	0	0	0	283
Accrued Expenditures	0	1,590	0	0	0	0	0	1,590
TOTAL LIABILITIES	25,419	10,042	0	0	0	1,877	0	37,338
<u>DEFERRED INFLOWS OF RESOURCES</u>								
Unavailable Revenue-Property Taxes	0	0	4,355	4,398	0	558	0	9,311
<u>FUND BALANCE</u>								
Nonspendable, Inventory	9,030	0	0	0	0	0	0	9,030
Nonspendable, Prepaid Expenditures	0	1,395	0	0	0	0	0	1,395
Restricted for Debt Retirement	0	0	149,265	40,999	0	0	0	190,264
Restricted for Capital Projects	0	0	0	0	0	82,293	3,125	85,418
Restricted for Food Service	81,318	0	0	0	0	0	0	81,318
Assigned for Custody and Care of Children	0	39,523	0	0	0	0	0	39,523
Total Fund Balances	90,348	40,918	149,265	40,999	0	82,293	3,125	406,948
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 115,767	\$ 50,960	\$ 153,620	\$ 45,397	\$ 0	\$ 84,728	\$ 3,125	\$ 453,597

MANCELONA PUBLIC SCHOOLS
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COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUND TYPES

YEAR ENDED JUNE 30, 2013

	SPECIAL REVENUE FUNDS		DEBT SERVICE FUNDS			CAPITAL PROJECTS FUNDS		TOTAL NONMAJOR GOVERNMENTAL FUNDS
	FOOD SERVICE	LATCHKEY	2004 DEBT RETIREMENT	2005 DEBT RETIREMENT	DURANT DEBT RETIREMENT	SINKING	STADIUM	
<u>REVENUES</u>								
Local Sources	\$ 107,683	\$ 248,013	\$ 943,769	\$ 170,806	\$ 0	\$ 125,093	\$ 317	\$ 1,595,681
State Sources	26,499	0	15,809	2,713	10,033	1,913	0	56,967
Federal Sources	452,688	0	0	0	0	0	0	452,688
Other Transactions	163,303	7,000	0	0	0	0	0	170,303
Total Revenues	750,173	255,013	959,578	173,519	10,033	127,006	317	2,275,639
<u>EXPENDITURES</u>								
Supporting Services								
Operation and Maintenance	0	0	0	0	0	115,118	0	115,118
Food Service Activities	787,067	0	0	0	0	0	0	787,067
Custody and Care of Children	0	248,988	0	0	0	0	0	248,988
Debt Service								
Redemption of Principal	3,542	0	775,000	0	9,577	0	0	788,119
Interest and Fees	0	0	164,596	154,918	456	0	0	319,970
Other Transactions	0	0	340	243	0	96	0	679
Total Expenditures	790,609	248,988	939,936	155,161	10,033	115,214	0	2,259,941
Excess of Revenues Over (Under) Expenditures	(40,436)	6,025	19,642	18,358	0	11,792	317	15,698
<u>OTHER FINANCING SOURCES (USES)</u>								
Transfers In	0	2,372	0	0	0	0	0	2,372
Transfers Out	(2,372)	0	0	0	0	0	0	(2,372)
Total Other Financing Sources (Uses)	(2,372)	2,372	0	0	0	0	0	0
Net Change in Fund Balance	(42,808)	8,397	19,642	18,358	0	11,792	317	15,698
<u>FUND BALANCE</u> - Beginning of Year	133,156	32,521	129,623	22,641	0	70,501	2,808	391,250
<u>FUND BALANCE</u> - End of Year	\$ 90,348	\$ 40,918	\$ 149,265	\$ 40,999	\$ 0	\$ 82,293	\$ 3,125	\$ 406,948

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
COMPARATIVE BALANCE SHEET

JUNE 30,

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Cash	\$ 533,828	\$ 561,146
Taxes Receivable	26,823	27,802
Accounts Receivable	8,582	8,755
Due from Other Funds	283	6,345
Due from Other Governmental Units	1,084,162	962,071
Inventory	16,642	17,598
Prepaid Expenditures	4,945	574
Investments	879,649	821,804
	<hr/>	<hr/>
TOTAL ASSETS	\$ 2,554,914	\$ 2,406,095
	<hr/> <hr/>	<hr/> <hr/>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 147,958	\$ 154,177
Accrued Expenditures	432,263	438,404
Due to Other Funds	28,934	0
Salaries Payable	505,759	501,769
Unearned Revenue	24,643	0
	<hr/>	<hr/>
Total Liabilities	1,139,557	1,094,350
	<hr/>	<hr/>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Unavailable Revenue-Property Taxes	26,823	27,802
	<hr/>	<hr/>
<u>FUND BALANCE</u>		
Nonspendable:		
Inventory	16,642	17,598
Prepaid Expenditures	4,945	574
Committed for:		
Field Trips	3,140	3,140
Assigned to:		
Subsequent Year's Budget Shortfall	0	157,956
Unassigned	1,363,807	1,104,675
	<hr/>	<hr/>
Total Fund Balance	1,388,534	1,283,943
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 2,554,914	\$ 2,406,095
	<hr/> <hr/>	<hr/> <hr/>

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2012

	<u>2013</u>		<u>2012</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>REVENUES</u>			
Local Sources	\$ 3,147,643	\$ 3,150,004	\$ 3,323,447
Non-Educational Entity or Political Subdivision	2,743	2,743	9,887
State Sources	4,723,053	4,693,230	4,626,719
Federal Sources	520,630	488,271	763,035
Other Transactions	259,358	260,302	269,762
	<hr/>		
Total Revenues	8,653,427	8,594,550	8,992,850
	<hr/>		
<u>EXPENDITURES</u>			
Instruction			
Basic Programs			
Elementary School	1,653,721	1,646,064	1,772,685
Middle School	1,081,646	1,077,429	1,208,248
High School	1,173,537	1,167,069	1,224,211
Pre School	205,166	200,744	203,694
Summer School	19,241	12,920	55,685
Added Needs			
Special Education	572,331	566,246	665,155
Compensatory Education	339,447	324,617	291,710
Supporting Services			
Pupil			
Guidance Services	297,472	273,527	292,470
Social Work Services	0	0	4,251
Other Pupil Services	7,301	7,301	8,652
Instructional Staff			
Improvement of Instruction	113,922	101,059	103,680
Educational Media Services	87,969	86,885	90,740
Instruction Related Technology	19,184	19,184	24,452
Supervision/Direction of Instruction	23,867	23,866	68,323
Academic Student Assessment	30	30	0

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2012

	<u>2013</u>		<u>2012</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
General Administration			
Board of Education	94,005	89,832	97,786
Executive Administration	213,062	211,323	206,196
School Administration			
Office of the Principal	629,029	624,676	609,677
Other School Administration	2,361	2,361	1,776
Business			
Fiscal Services	185,345	184,029	183,121
Other Business Services	95,128	96,410	120,694
Operation and Maintenance	847,190	838,703	743,575
Pupil Transportation Services	531,806	530,565	572,270
Central Support Services	169,819	168,619	274,119
Other Support Services	168,964	168,127	177,033
Community Services			
Other Community Services	2,500	2,719	6,143
Prior Period Adjustments	15,000	10,823	24,709
Other Transactions			
Transfers to Other School Districts	58,958	54,831	39,776
Total Expenditures	<u>8,608,001</u>	<u>8,489,959</u>	<u>9,070,831</u>
Excess of Revenues Over (Under) Expenditures	45,426	104,591	(77,981)
<u>FUND BALANCE</u> - Beginning of Year	<u>1,283,943</u>	<u>1,283,943</u>	<u>1,361,924</u>
<u>FUND BALANCE</u> - End of Year	<u>\$ 1,329,369</u>	<u>\$ 1,388,534</u>	<u>\$ 1,283,943</u>

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
ANALYSIS OF REVENUES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2012

	<u>2013</u>		<u>2012</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>LOCAL SOURCES</u>			
Property Taxes			
Operating Millage	\$ 3,012,454	\$ 3,012,454	\$ 3,041,830
Interest on Delinquent Taxes	15,886	15,886	18,021
Commercial Forest	228	228	43
Earnings on Investments and Deposits	4,565	4,620	5,485
Vending Machine Sales	5,000	5,066	4,809
Admissions	31,028	31,028	37,807
Dues and Fees	6,040	6,040	4,798
Other Pupil Activity	6,000	7,115	5,771
Community Service Activity	6,860	7,360	6,785
Rental of School Property	5,019	5,019	18,104
Contributions from Private Sources	34,167	34,167	77,744
Miscellaneous	20,396	21,021	102,250
	<hr/>	<hr/>	<hr/>
Total Local Sources	3,147,643	3,150,004	3,323,447
<u>NON-EDUCATIONAL ENTITY OR POLITICAL SUBDIVISION SOURCES</u>			
Grants-In-Aid Unrestricted			
Grand Traverse Resort and Casino	2,743	2,743	9,887
	<hr/>	<hr/>	<hr/>
<u>STATE SOURCES</u>			
Grants-In-Aid Unrestricted			
State School Aid			
Foundation Allowance	3,797,989	3,797,989	3,810,931
Grants-In-Aid Restricted			
State School Aid			
Principal Educator Evaluation Training Grant	1,050	1,050	0
Technology Infrastructure Grants	10,000	10,000	0
MPSEs Cost Offset	166,262	166,290	84,992
At Risk	292,420	267,835	294,766
School Readiness	208,896	204,406	217,600
Headlee Data Collection	24,363	24,365	21,797
Foundation Allowance- Special Education	216,422	216,422	192,584
SAM3 Math/Science	5,651	4,873	0
Health Center	0	0	4,049
	<hr/>	<hr/>	<hr/>
Total State Sources	4,723,053	4,693,230	4,626,719

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
ANALYSIS OF REVENUES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2012

	<u>2013</u>		<u>2012</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>FEDERAL SOURCES</u>			
Grants-In-Aid Unrestricted			
Medicaid Fee for Services	2,672	2,672	3,510
Grants-In-Aid Restricted			
Received from Michigan Department of Education			
Title I	421,987	398,036	348,054
Education Jobs Fund	0	0	17,709
Title II-A - Improving Teacher Quality	61,574	53,166	62,477
Title VI-B	19,957	19,957	25,521
Before/After School Summer Expansion-21st Century	0	0	64,931
No Child Left Behind-21st Century	0	0	221,441
IDEA Preschool Incentive	13,440	13,440	15,392
IDEA MBSLI	1,000	1,000	4,000
Total Federal Sources	<u>520,630</u>	<u>488,271</u>	<u>763,035</u>
<u>OTHER TRANSACTIONS</u>			
Transfers from Other School Districts Within the State			
Special Education Millage	96,842	96,842	84,227
Other Transfers	109,925	110,869	106,872
Insurance Reimbursement	1,142	1,142	13,375
Prior Period Adjustment	51,374	51,374	62,958
Proceeds from Sale of Capital Assets	75	75	2,330
Total Other Transactions	<u>259,358</u>	<u>260,302</u>	<u>269,762</u>
TOTAL REVENUES	<u><u>\$ 8,653,427</u></u>	<u><u>\$ 8,594,550</u></u>	<u><u>\$ 8,992,850</u></u>

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
ANALYSIS OF EXPENDITURES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2012

<u>INSTRUCTION</u>	<u>2013</u>		<u>2012</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>Basic Programs</u>			
<u>Elementary</u>			
Salaries	\$ 959,986	\$ 957,539	\$ 978,117
Employee Benefits	604,582	601,991	678,681
Purchased Services	53,801	51,429	91,913
Supplies and Materials	33,727	33,878	22,489
Other Expense	1,625	1,227	1,485
Total Elementary	<u>1,653,721</u>	<u>1,646,064</u>	<u>1,772,685</u>
<u>Middle School</u>			
Salaries	636,276	634,772	675,656
Employee Benefits	399,784	398,747	440,119
Purchased Services	20,367	18,985	73,868
Supplies and Materials	22,719	22,782	17,105
Other Expense	2,500	2,143	1,500
Total Middle School	<u>1,081,646</u>	<u>1,077,429</u>	<u>1,208,248</u>
<u>High School</u>			
Salaries	684,123	683,522	686,545
Employee Benefits	427,295	425,248	472,427
Purchased Services	25,388	23,825	40,701
Supplies and Materials	26,709	25,451	19,526
Other Expense	2,020	1,021	292
Tuition	8,002	8,002	4,720
Total High School	<u>1,173,537</u>	<u>1,167,069</u>	<u>1,224,211</u>

MANCELONA PUBLIC SCHOOLS

MANCELONA, MICHIGAN

GENERAL FUND

ANALYSIS OF EXPENDITURES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2012

	<u>2013</u>		<u>2012</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>Preschool</u>			
Salaries	108,400	107,536	100,662
Employee Benefits	91,459	89,747	99,852
Purchased Services	2,400	1,997	1,789
Supplies and Materials	2,407	947	1,115
Other Expense	500	517	276
Total Preschool	<u>205,166</u>	<u>200,744</u>	<u>203,694</u>
<u>Summer School</u>			
Salaries	3,000	0	3,000
Employee Benefits	1,040	0	969
Purchased Services	10,086	7,543	47,129
Supplies and Materials	5,115	5,377	2,112
Other Expense	0	0	2,475
Total Summer School	<u>19,241</u>	<u>12,920</u>	<u>55,685</u>
<u>Added Needs</u>			
<u>Special Education</u>			
Salaries	329,613	329,385	359,489
Employee Benefits	232,351	225,872	281,860
Purchased Services	6,042	6,300	17,878
Supplies and Materials	3,810	3,565	4,006
Other Expense	515	1,124	1,922
Total Special Education	<u>572,331</u>	<u>566,246</u>	<u>665,155</u>
<u>Compensatory Education</u>			
Salaries	143,335	143,608	147,017
Employee Benefits	98,527	97,001	98,760
Purchased Services	43,885	35,384	18,053
Supplies and Materials	53,700	48,624	27,880
Total Compensatory Education	<u>339,447</u>	<u>324,617</u>	<u>291,710</u>

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
ANALYSIS OF EXPENDITURES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2012

	<u>2013</u>		<u>2012</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>SUPPORTING SERVICES</u>			
<u>Pupil</u>			
<u>Guidance Services</u>			
Salaries	181,937	177,715	180,820
Employee Benefits	98,747	95,228	110,781
Purchased Services	0	0	288
Supplies and Materials	16,788	584	581
Total Guidance Services	<u>297,472</u>	<u>273,527</u>	<u>292,470</u>
 <u>Social Work Services</u>			
Salaries	0	0	3,120
Employee Benefits	0	0	1,131
Total Social Work Services	<u>0</u>	<u>0</u>	<u>4,251</u>
 <u>Other Pupil Services</u>			
Salaries	5,406	5,406	6,360
Employee Benefits	1,895	1,895	2,056
Purchased Services	0	0	236
Total Other Pupil Services	<u>7,301</u>	<u>7,301</u>	<u>8,652</u>
 <u>Instructional Staff</u>			
<u>Improvement of Instruction</u>			
Salaries	67,626	60,364	56,807
Employee Benefits	40,126	37,278	40,145
Purchased Services	2,640	1,645	6,728
Supplies and Materials	3,530	1,772	0
Total Improvement of Instruction	<u>113,922</u>	<u>101,059</u>	<u>103,680</u>

MANCELONA PUBLIC SCHOOLS

MANCELONA, MICHIGAN

GENERAL FUND

ANALYSIS OF EXPENDITURES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2012

	<u>2013</u>		<u>2012</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>Education Media Services</u>			
Salaries	49,428	49,025	46,655
Employee Benefits	29,070	28,717	29,636
Purchased Services	3,606	3,605	2,992
Supplies and Materials	5,865	5,538	11,457
Total Education Media Services	<u>87,969</u>	<u>86,885</u>	<u>90,740</u>
<u>Instruction Related Technology</u>			
Supplies and Materials	<u>19,184</u>	<u>19,184</u>	<u>24,452</u>
<u>Supervision/Direction of Instruction</u>			
Salaries	14,118	14,118	3,618
Employee Benefits	9,749	9,748	2,382
Purchased Services	0	0	61,562
Supplies and Materials	0	0	761
Total Supervision/Direction of Instruction	<u>23,867</u>	<u>23,866</u>	<u>68,323</u>
<u>Academic Student Assessment</u>			
Supplies and Materials	<u>30</u>	<u>30</u>	<u>0</u>
<u>General Administration</u>			
<u>Board of Education</u>			
Salaries	1,994	1,954	1,886
Employee Benefits	286	274	208
Purchased Services	86,287	82,547	90,692
Other Expense	5,438	5,057	5,000
Total Board of Education	<u>94,005</u>	<u>89,832</u>	<u>97,786</u>

MANCELONA PUBLIC SCHOOLS

MANCELONA, MICHIGAN

GENERAL FUND

ANALYSIS OF EXPENDITURES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2012

	<u>2013</u>		<u>2012</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>Executive Administration</u>			
Salaries	134,153	134,153	126,312
Employee Benefits	73,557	72,312	75,650
Purchased Services	3,237	2,904	3,109
Supplies and Materials	1,500	1,458	847
Other Expense	615	496	278
Total Executive Administration	<u>213,062</u>	<u>211,323</u>	<u>206,196</u>
<u>School Administration</u>			
<u>Office of the Principal</u>			
Salaries	355,692	354,432	341,215
Employee Benefits	236,140	235,899	237,087
Purchased Services	29,822	29,715	27,290
Supplies and Materials	4,300	4,020	3,647
Other Expense	3,075	610	438
Total Office of the Principal	<u>629,029</u>	<u>624,676</u>	<u>609,677</u>
<u>Other School Administration</u>			
Supplies and Materials	<u>2,361</u>	<u>2,361</u>	<u>1,776</u>
<u>Business</u>			
<u>Fiscal Services</u>			
Salaries	108,026	108,024	107,103
Employee Benefits	70,505	70,487	70,080
Purchased Services	3,756	3,637	3,357
Supplies and Materials	2,300	1,612	2,312
Other Expense	758	269	269
Total Fiscal Services	<u>185,345</u>	<u>184,029</u>	<u>183,121</u>
<u>Other Business Services</u>			
Purchased Services	37,149	37,149	36,037
Other Expense	57,979	59,261	84,657
Total Other Business Services	<u>95,128</u>	<u>96,410</u>	<u>120,694</u>

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
ANALYSIS OF EXPENDITURES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2012

	<u>2013</u>		<u>2012</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>Operation and Maintenance</u>			
Salaries	79,684	79,684	78,106
Employee Benefits	52,617	52,603	60,735
Purchased Services	379,102	371,373	343,530
Supplies and Materials	297,963	292,713	254,995
Capital Outlay	30,000	34,506	3,001
Other Expense	7,824	7,824	3,208
Total Operation and Maintenance	<u>847,190</u>	<u>838,703</u>	<u>743,575</u>
<u>Pupil Transportation Services</u>			
Salaries	165,599	164,583	169,784
Employee Benefits	184,726	188,677	182,709
Purchased Services	74,299	74,213	116,575
Supplies and Materials	104,182	100,876	101,021
Other Expense	3,000	2,216	2,181
Total Pupil Transportation Services	<u>531,806</u>	<u>530,565</u>	<u>572,270</u>
<u>Central Support Services</u>			
<u>Planning, Research and Development</u>			
Purchased Services	<u>0</u>	<u>0</u>	<u>21,800</u>
<u>Staff Services</u>			
Salaries	14,188	14,188	16,500
Employee Benefits	10,175	10,175	5,298
Purchased Services	162	62	85
Total Staff Services	<u>24,525</u>	<u>24,425</u>	<u>21,883</u>

MANCELONA PUBLIC SCHOOLS

MANCELONA, MICHIGAN

GENERAL FUND

ANALYSIS OF EXPENDITURES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2012

	<u>2013</u>		<u>2012</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>Technology</u>			
Salaries	800	690	460
Employee Benefits	257	221	148
Purchased Services	86,729	91,048	93,333
Supplies and Materials	7,508	11,984	15,495
Capital Outlay	50,000	40,251	121,000
Total Technology	<u>145,294</u>	<u>144,194</u>	<u>230,436</u>
<u>Other Support Services</u>			
<u>Athletic Activities</u>			
Salaries	80,121	80,121	83,150
Employee Benefits	23,543	23,524	22,922
Purchased Services	26,440	26,356	26,456
Supplies and Materials	24,181	23,742	14,779
Capital Outlay	0	0	6,000
Transfers to Other Districts	14,679	14,384	16,022
Total Athletic Activities	<u>168,964</u>	<u>168,127</u>	<u>169,329</u>
<u>Other Support Services</u>			
Salaries	0	0	5,537
Employee Benefits	0	0	2,167
Total Other Support Services	<u>0</u>	<u>0</u>	<u>7,704</u>
<u>COMMUNITY SERVICES</u>			
<u>Other Community Services</u>			
Supplies and Materials	1,500	1,371	4,442
Other Expense	1,000	1,348	1,701
Total Other Community Services	<u>2,500</u>	<u>2,719</u>	<u>6,143</u>
<u>PRIOR PERIOD ADJUSTMENTS</u>			
Other Expense	<u>15,000</u>	<u>10,823</u>	<u>24,709</u>
<u>PAYMENTS TO OTHER K-12 DISTRICTS</u>			
Other Transactions	<u>58,958</u>	<u>54,831</u>	<u>39,776</u>
TOTAL EXPENDITURES	<u>\$ 8,608,001</u>	<u>\$ 8,489,959</u>	<u>\$ 9,070,831</u>

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

BUS & TECHNOLOGY CAPITAL PROJECTS FUND
BALANCE SHEET

JUNE 30, 2013

ASSETS

Restricted Assets - Cash	\$ 771,953
Due from Other Funds	26,321
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TOTAL ASSETS	\$ 798,274
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts Payable	\$ 82,230
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FUND BALANCE

Restricted for Capital Projects	716,044
	<hr/>

TOTAL LIABILITIES AND FUND BALANCE	\$ 798,274
	<hr/> <hr/>

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

BUS & TECHNOLOGY CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2013

REVENUES

Local Sources	
Earnings on Investments and Deposits	<u>\$ 71</u>

EXPENDITURES

Supporting Services	
Technology	
Purchased Services	16,437
Capital Outlay	183,334
Debt Service	
Bond Issuance Costs	<u>24,256</u>

Total Expenditures 224,027

Excess of Revenues Over (Under)
 Expenditures (223,956)

OTHER FINANCING SOURCES (USES)

Face Value of Debt 940,000

Net Change in Fund Balance 716,044

FUND BALANCE - Beginning of Year 0

FUND BALANCE - End of Year \$ 716,044

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

FOOD SERVICE FUND
COMPARATIVE BALANCE SHEET

JUNE 30,

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Cash	\$ 10,079	\$ 67,974
Accounts Receivable	55,358	61,136
Due from Other Governments	41,300	19,209
Inventory	9,030	11,225
	<hr/>	<hr/>
TOTAL ASSETS	\$ 115,767	\$ 159,544
	<hr/> <hr/>	<hr/> <hr/>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 25,136	\$ 26,388
Due to Other Funds	283	0
	<hr/>	<hr/>
Total Liabilities	25,419	26,388
	<hr/>	<hr/>
<u>FUND BALANCE</u>		
Nonspendable, Inventory	9,030	11,225
Restricted for Food Service	81,318	121,931
	<hr/>	<hr/>
Total Fund Balance	90,348	133,156
	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCE	\$ 115,767	\$ 159,544
	<hr/> <hr/>	<hr/> <hr/>

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2012

	2013		2012
	BUDGET	ACTUAL	ACTUAL
<u>REVENUES</u>			
Local Sources			
Earnings on Investments and Deposits	\$ 495	\$ 495	\$ 93
Food Sales to Pupils	59,308	51,903	61,764
Food Sales to Adults	5,850	5,951	7,281
Ala-Carte Sales and Milk Sales	6,185	5,897	2,134
Other Income	50,000	43,437	59,878
State Sources			
State Aid	26,497	26,499	32,630
Federal Sources			
National School Breakfast Program	97,050	97,050	96,604
National School Lunch Program	295,665	302,234	304,678
U.S.D.A. Non-Bonus Commodities	34,300	33,348	30,128
U.S.D.A. Bonus Commodities	0	0	5,949
Summer Food Service Program for Children	23,644	20,056	23,874
Child and Adult Care Food Program	0	0	16,225
Other Transactions			
Transfers from Other School Districts Within the State			
Bellaire Public School District	163,303	163,303	0
Total Revenues	762,297	750,173	641,238

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2012

	<u>2013</u>		<u>2012</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>EXPENDITURES</u>			
Food Service Activities			
Purchased Services	706,766	702,683	543,254
Supplies and Materials	57,457	56,803	46,303
Capital Outlay	21,764	21,764	13,237
Other Expenses	6,000	5,817	4,058
Debt Service			
Principal	0	3,542	3,542
Total Expenditures	<u>791,987</u>	<u>790,609</u>	<u>610,394</u>
Excess of Revenues Over (Under) Expenditures	(29,690)	(40,436)	30,844
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers Out	<u>(2,372)</u>	<u>(2,372)</u>	<u>0</u>
Net Change in Fund Balance	(32,062)	(42,808)	30,844
<u>FUND BALANCE</u> - Beginning of Year	<u>133,156</u>	<u>133,156</u>	<u>102,312</u>
<u>FUND BALANCE</u> - End of Year	<u>\$ 101,094</u>	<u>\$ 90,348</u>	<u>\$ 133,156</u>

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

LATCH KEY FUND
COMPARATIVE BALANCE SHEET

JUNE 30,

	2013	2012
<u>ASSETS</u>		
Cash	\$ 29,268	\$ 29,539
Accounts Receivable	11,889	9,249
Due from Other Funds	2,613	0
Due from Other Governmental Units	5,795	9,763
Prepaid Expenditures	1,395	226
TOTAL ASSETS	\$ 50,960	\$ 48,777
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 8,452	\$ 9,911
Accrued Expenditures	1,590	0
Due to Other Funds	0	6,345
Total Liabilities	10,042	16,256
<u>FUND BALANCE</u>		
Nonspendable, Prepaid Expenditures	1,395	226
Assigned for Custody and Care of Children	39,523	32,295
Total Fund Balance	40,918	32,521
TOTAL LIABILITIES AND FUND BALANCE	\$ 50,960	\$ 48,777

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

LATCH KEY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2012

	<u>2013</u>		<u>2012</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>REVENUES</u>			
Local Sources			
Earnings on Investments and Deposits	\$ 18	\$ 19	\$ 36
Charges for Child Care Services			
Private Pay			
Children, Infants and Toddlers	78,000	80,104	61,084
Michigan Family Independence Agency			
Children, Infants and Toddlers	64,992	67,779	60,454
Northwest Michigan Community Action Agency	99,069	99,046	135,457
Miscellaneous	1,065	1,065	7,646
Other Transactions			
Transfers from Other School Districts within the State			
Traverse Bay Area Intermediate School District	7,000	7,000	10,000
 Total Revenues	 <u>250,144</u>	 <u>255,013</u>	 <u>274,677</u>
<u>EXPENDITURES</u>			
Custody and Care of Children			
Children, Infants and Toddlers			
Salaries	50,280	50,280	56,574
Employee Benefits	32,710	32,697	38,994
Purchased Services	164,945	163,567	179,724
Supplies and Materials	2,200	1,799	1,034
Other Expenditures	1,000	645	2,149
 Total Expenditures	 <u>251,135</u>	 <u>248,988</u>	 <u>278,475</u>
Excess of Revenues Over (Under) Expenditures	(991)	6,025	(3,798)
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers In	2,372	2,372	0
 Net Change in Fund Balance	 1,381	 8,397	 (3,798)
<u>FUND BALANCE</u> - Beginning of Year	<u>32,521</u>	<u>32,521</u>	<u>36,319</u>
<u>FUND BALANCE</u> - End of Year	<u>\$ 33,902</u>	<u>\$ 40,918</u>	<u>\$ 32,521</u>

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

2004 DEBT RETIREMENT FUND
COMPARATIVE BALANCE SHEET

JUNE 30,

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Cash	\$ 149,265	\$ 132,056
Taxes Receivable	4,355	4,682
	<hr/>	<hr/>
TOTAL ASSETS	\$ 153,620	\$ 136,738
	<hr/> <hr/>	<hr/> <hr/>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Due to Other Funds	\$ 0	\$ 2,433
 <u>DEFERRED INFLOWS OF RESOURCES</u>		
Unavailable Revenue-Property Taxes	4,355	4,682
 <u>FUND BALANCE</u>		
Restricted for Debt Retirement	149,265	129,623
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 153,620	\$ 136,738
	<hr/> <hr/>	<hr/> <hr/>

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

2004 DEBT RETIREMENT FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30,

	<u>2013</u>	<u>2012</u>
<u>REVENUES</u>		
Local Sources		
Property Taxes	\$ 937,626	\$ 969,034
Interest on Delinquent Taxes	5,295	5,684
Earnings on Investments and Deposits	848	1,247
State Sources		
Payments in Lieu of Tax		
Commercial Forest and DNR	15,809	233
 Total Revenues	 959,578	 976,198
<u>EXPENDITURES</u>		
Debt Service		
Bond Principal	775,000	790,000
Interest and Fees	164,596	189,876
Taxes Abated and Written Off	115	8,716
Other Transactions	225	225
 Total Expenditures	 939,936	 988,817
 Excess of Revenues Over (Under) Expenditures	 19,642	 (12,619)
 <u>FUND BALANCE</u> - Beginning of Year	 129,623	 142,242
 <u>FUND BALANCE</u> - End of Year	 \$ 149,265	 \$ 129,623

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

2005 DEBT RETIREMENT FUND
COMPARATIVE BALANCE SHEET

JUNE 30,

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Cash	\$ 40,999	\$ 20,208
Taxes Receivable	4,398	4,444
Due from Other Funds	0	2,433
	<hr/>	<hr/>
TOTAL ASSETS	\$ 45,397	\$ 27,085
	<hr/> <hr/>	<hr/> <hr/>
<u>DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>		
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Unavailable Revenue-Property Taxes	\$ 4,398	\$ 4,444
<u>FUND BALANCE</u>		
Restricted for Debt Retirement	40,999	22,641
	<hr/>	<hr/>
TOTAL DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 45,397	\$ 27,085
	<hr/> <hr/>	<hr/> <hr/>

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

2005 DEBT RETIREMENT FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30,

	2013	2012
<u>REVENUES</u>		
Local Sources		
Property Taxes	\$ 169,690	\$ 155,737
Interest on Delinquent Taxes	958	911
Earnings on Investments and Deposits	158	134
State Sources		
Payments in Lieu of Tax		
Commercial Forest and DNR	2,713	37
	173,519	156,819
<u>EXPENDITURES</u>		
Debt Service		
Interest and Fees	154,918	154,918
Taxes Abated and Written Off	18	1,201
Other Transactions	225	225
	155,161	156,344
Excess of Revenues Over (Under)		
Expenditures	18,358	475
<u>FUND BALANCE</u> - Beginning of Year	22,641	22,166
<u>FUND BALANCE</u> - End of Year	\$ 40,999	\$ 22,641

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

DURANT DEBT RETIREMENT FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30,

	<u>2013</u>	<u>2012</u>
<u>REVENUES</u>		
State Sources		
Durant Settlement Debt Service	\$ 10,033	\$ 10,033
<u>EXPENDITURES</u>		
Debt Service		
Redemption of Principal	9,577	9,142
Interest on Debt	456	891
Total Expenditures	<u>10,033</u>	<u>10,033</u>
Excess of Revenues Over (Under) Expenditures	0	0
<u>FUND BALANCE</u> - Beginning of Year	<u>0</u>	<u>0</u>
<u>FUND BALANCE</u> - End of Year	<u>\$ 0</u>	<u>\$ 0</u>

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

SINKING FUND
COMPARATIVE BALANCE SHEET

JUNE 30,

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Cash	\$ 84,170	\$ 73,278
Taxes Receivable	558	602
	<hr/>	<hr/>
TOTAL ASSETS	\$ 84,728	\$ 73,880
	<hr/> <hr/>	<hr/> <hr/>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 1,877	\$ 2,777
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Unavailable Revenue-Property Taxes	558	602
<u>FUND BALANCE</u>		
Restricted for Capital Projects	82,293	70,501
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 84,728	\$ 73,880
	<hr/> <hr/>	<hr/> <hr/>

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

SINKING FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30,

	2013	2012
<u>REVENUES</u>		
Local Sources		
Property Taxes	\$ 115,033	\$ 115,344
Interest on Delinquent Taxes	647	673
Earnings on Investments and Deposits	83	146
Contributions from Private Sources	9,330	11,517
State Sources		
Payments in Lieu of Tax		
Commercial Forest	1,913	28
	127,006	127,708
 <u>EXPENDITURES</u>		
Supporting Services		
Operation and Maintenance of Plant		
Purchased Services	115,118	98,271
Taxes Abated and Written Off	96	1,103
	115,214	99,374
Excess of Revenues Over (Under)		
Expenditures	11,792	28,334
<u>FUND BALANCE</u> - Beginning of Year	70,501	42,167
<u>FUND BALANCE</u> - End of Year	\$ 82,293	\$ 70,501

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

STADIUM CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET

JUNE 30,

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Cash	\$ 3,125	\$ 2,808
	<hr/>	<hr/>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>	\$ 0	\$ 0
<u>FUND BALANCE</u>		
Restricted for Capital Projects	<hr/> 3,125	<hr/> 2,808
TOTAL LIABILITIES AND FUND BALANCE	<hr/> \$ 3,125	<hr/> \$ 2,808

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

STADIUM CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30,

	2013	2012
<u>REVENUES</u>		
Local Sources		
Contributions from Private Sources	\$ 317	\$ 50
<u>EXPENDITURES</u>		
Facilities Acquisition	0	0
Excess of Revenues Over (Under)		
Expenditures	317	50
<u>FUND BALANCE</u> - Beginning of Year	2,808	2,758
<u>FUND BALANCE</u> - End of Year	\$ 3,125	\$ 2,808

MANCELONA PUBLIC SCHOOLS

MANCELONA, MICHIGAN

AGENCY FUND

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND BALANCE

YEAR ENDED JUNE 30, 2013

	BALANCE	RECEIPTS	DISBURSEMENTS	BALANCE
	7/01/12	(INCLUDING TRANSFERS)		6/30/13
Band Boosters	\$ 3,176	\$ 23,806	\$ 22,800	\$ 4,182
Baseball	8,919	2,841	2,014	9,746
Behavior Intervention	233	480	713	0
Boys Basketball	777	3,256	3,301	732
Breakfast with Santa	1,060	3,023	2,336	1,747
Candy Sales - 4th - Kennedy	188	0	188	0
Candy Sales - 3rd - Nusse	163	0	0	163
Candy Sales - 3rd - Smith	430	0	0	430
Candy Sales - 4th - Elder	266	0	70	196
Class of 2002	180	0	0	180
Class of 2003	277	0	212	65
Class of 2007	108	0	0	108
Class of 2008	164	0	0	164
Class of 2009	803	0	0	803
Class of 2010	1,260	0	0	1,260
Class of 2012	1,122	0	97	1,025
Class of 2013	(501)	2,072	1,571	0
Class of 2014	568	4,033	3,220	1,381
Class of 2015	1,126	2,684	1,784	2,026
Class of 2016	0	0	10	(10)
Cross Country Invitational	148	1,579	1,679	48
Drama	2	0	2	0
Elementary Assemblies	2,000	0	0	2,000
Elementary Carnival	10,062	6,427	6,501	9,988
Elementary Classroom Pre-K	833	0	0	833
Elementary Classroom Kindergarten	9	0	0	9
Elementary Classroom 1st Grade	1,106	2,751	2,213	1,644
Elementary Classroom 2nd Grade	4,008	900	2,792	2,116
Elementary Classroom 3rd Grade	1,577	1,195	1,087	1,685
Elementary Classroom 4th Grade	2,524	0	0	2,524
Elementary Fine Arts	179	526	151	554
Elementary Get Involved	8,945	19,019	15,331	12,633
Elementary Library	597	3,325	3,254	668
Elementary Literacy	2,084	0	523	1,561

MANCELONA PUBLIC SCHOOLS

MANCELONA, MICHIGAN

AGENCY FUND

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND BALANCE

YEAR ENDED JUNE 30, 2013

	BALANCE	RECEIPTS	DISBURSEMENTS	BALANCE
	7/01/12	(INCLUDING TRANSFERS)		6/30/13
Elementary Playground Project	456	0	6	450
Elementary Principal	1,265	918	1,386	797
Elementary Resource	285	2,850	2,712	423
Elementary Technology	1	0	0	1
Elementary MEF Grant	1	0	526	(525)
Elementary MiBLSi	1,777	316	0	2,093
Eighth Grade	780	1,811	1,442	1,149
Fifth Grade	3,481	3,740	4,405	2,816
Football	4,586	4,908	5,122	4,372
Gifted and Talented	92	529	331	290
Girls Basketball Fund Raising	156	4,025	4,181	0
Golf	367	80	0	447
Green School	116	0	116	0
GT Regional Foundation	45	3,000	1,878	1,167
High School Art Department	0	101	0	101
High School Boys Track	(561)	561	0	0
High School Library	164	1,752	1,710	206
High School MEF Grants	38	338	376	0
High School Girls Track	164	1,164	1,328	0
JV Softball	165	0	0	165
Lego Robotics	0	1,095	963	132
Mancelona High School	1,375	825	1,040	1,160
Middle School	122	1,137	1,170	89
Middle School Band	17	1,858	1,849	26
Middle School Football	1,345	640	646	1,339
Middle School Fundraiser	207	106	207	106
Middle School Girls Basketball	0	320	314	6
Middle School Library	176	1,445	1,504	117
Middle School MEF Grant	254	0	254	0
Middle School MiBLSi	(1,226)	2,022	796	0
Middle School Spirit	779	1,399	1,045	1,133
Middle School Student Council	301	385	140	546
Middle School Volleyball	566	0	489	77
Middle School Wrestling	7,151	2,382	2,725	6,808
Middle School Yearbook	179	248	127	300

MANCELONA PUBLIC SCHOOLS

MANCELONA, MICHIGAN

AGENCY FUND

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND BALANCE

YEAR ENDED JUNE 30, 2013

	BALANCE 7/01/12	RECEIPTS (INCLUDING TRANSFERS)	DISBURSEMENTS	BALANCE 6/30/13
National Honor Society	725	828	714	839
National Junior Honor Society	285	0	74	211
Post Prom Party	1,075	1,105	2,076	104
Seventh Grade	639	107	155	591
Sixth Grade	1,288	167	666	789
Sports Boosters	14,064	32,442	28,730	17,776
Student Council	395	319	450	264
Suspense	121	3,294	3,094	321
Swikoski Memorial Run	200	1,000	200	1,000
Theater Trip	405	16,621	16,250	776
Three Lakes Grant	0	1,075	833	242
Varsity Softball	1,144	1,156	1,331	969
Volleyball	(501)	4,163	2,188	1,474
Woodshop	4,632	6,120	5,203	5,549
Wrestling	193	2,945	2,670	468
Yearbook	7,258	4,123	5,169	6,212
Young Authors	12	10,992	9,984	1,020
	<u>\$ 110,952</u>	<u>\$ 204,329</u>	<u>\$ 190,424</u>	<u>\$ 124,857</u>

Represented by

Assets

Cash

\$ 110,952

\$ 124,857

Liabilities

Due to Groups and

Organizations

\$ 110,952

\$ 124,857

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MANCELONA PUBLIC SCHOOLS

MANCELONA, MICHIGAN

2004 REFUNDING BONDS

JUNE 30, 2013

<u>TITLE OF ISSUE</u>	2004 Refunding Bonds (General Obligation-Unlimited Tax)		
<u>PURPOSE</u>	For the purpose of refunding part of the District's 1978 School District bonds, dated May 1, 1978, which are due July 1, 2005, through July 1, 2007, and the 1997 School Building and Site Bonds, dated June 1, 1997, which are due and payable May 1, 2007, through May 1, 2014, inclusive, and May 1, 2018, and to pay the costs of issuing the bonds.		
<u>DATE OF ISSUE</u>	March 30, 2004		
<u>AMOUNT OF ISSUE</u>		\$	9,405,000
<u>AMOUNT REDEEMED</u>			
Prior to Current Year	\$	4,920,000	
During Current Year		775,000	5,695,000
<u>BALANCE OUTSTANDING - June 30, 2013</u>		\$	<u>3,710,000</u>

<u>DUE DATES</u>	<u>INTEREST RATE</u>	<u>REQUIREMENTS</u>		
		<u>TOTAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>
November 1, 2013		\$ 69,125	\$ 69,125	
May 1, 2014	3.50%	834,125	69,125	\$ 765,000
November 1, 2014		55,738	55,738	
May 1, 2015	3.60%	810,738	55,738	755,000
November 1, 2015		42,148	42,148	
May 1, 2016	3.75%	782,148	42,148	740,000
November 1, 2016		28,272	28,272	
May 1, 2017	3.85%	758,272	28,272	730,000
November 1, 2017		14,220	14,220	
May 1, 2018	3.95%	734,220	14,220	720,000
		<u>\$ 4,129,006</u>	<u>\$ 419,006</u>	<u>\$ 3,710,000</u>

MANCELONA PUBLIC SCHOOLS

MANCELONA, MICHIGAN

2005 REFUNDING BONDS

JUNE 30, 2013

<u>TITLE OF ISSUE</u>	2005 Refunding Bonds (General Obligation-Unlimited Tax)	
<u>PURPOSE</u>	For the purpose of refunding part of the District's 1997 School Building and Site Bonds, dated June 1, 1997, which are due and payable May 1, 2007, and May 1, 2019, through May 1, 2023, inclusive, and to pay the costs of issuing the bonds.	
<u>DATE OF ISSUE</u>	July 7, 2005	
<u>AMOUNT OF ISSUE</u>	\$	4,540,000
<u>AMOUNT REDEEMED</u>		
Prior to Current Year	\$	600,000
During Current Year		0
		600,000
<u>BALANCE OUTSTANDING - June 30, 2013</u>	\$	3,940,000

<u>DUE DATES</u>	<u>INTEREST RATE</u>	<u>REQUIREMENTS</u>		
		<u>TOTAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>
November 1, 2013		\$ 77,459	\$ 77,459	
May 1, 2014		77,459	77,459	\$ 0
November 1, 2014		77,459	77,459	
May 1, 2015		77,459	77,459	0
November 1, 2015		77,459	77,459	
May 1, 2016		77,459	77,459	0
November 1, 2016		77,459	77,459	
May 1, 2017		77,459	77,459	0
November 1, 2017		77,459	77,459	
May 1, 2018	3.800%	122,459	77,459	45,000
November 1, 2018		76,604	76,604	
May 1, 2019	3.800%	876,604	76,604	800,000
November 1, 2019		61,404	61,404	
May 1, 2020	3.875%	846,404	61,404	785,000
November 1, 2020		46,195	46,195	
May 1, 2021	3.950%	826,195	46,195	780,000
November 1, 2021		30,790	30,790	
May 1, 2022	4.000%	800,790	30,790	770,000
November 1, 2022		15,390	15,390	
May 1, 2023	4.050%	775,390	15,390	760,000
		\$ 5,175,356	\$ 1,235,356	\$ 3,940,000

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

DURANT BONDS

JUNE 30, 2013

<u>TITLE OF ISSUE</u>	1998 School Building and Site Bonds	
<u>PURPOSE</u>	This bond is issued for purposes permitted in Section 1351a of Act 451, Public Acts of Michigan, 1976 pursuant to the authority granted under Act 94, Public Acts of Michigan, 1979, and a resolution duly adopted by the Mancelona Board of Education.	
<u>DATE OF ISSUE</u>	November 24, 1998	
<u>INTEREST PAYABLE</u>	May 15th, of each year	
<u>REDEMPTION PRIOR TO MATURITY</u>	This bond is not subject to redemption prior to maturity by the School District and the School District may not issue any other bonds or obligations for the purpose of refunding this bond.	
<u>AMOUNT OF ISSUE</u>	\$	142,882
<u>AMOUNT REDEEMED</u>		
Prior to Current Year	\$	133,305
During Current Year		9,577
		<hr/>
		142,882
<u>BALANCE OUTSTANDING - June 30, 2013</u>	\$	<u><u>0</u></u>

