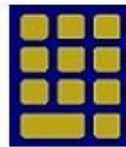


WEST PLAINS R-VII SCHOOL DISTRICT

Financial Statements and Supplementary Information

June 30, 2015 and 2014



SCHULTZ, WOOD & RAPP, P.C.

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MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

WEST PLAINS R-VII SCHOOL DISTRICT

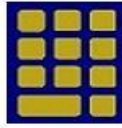
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INDEPENDENT AUDITOR'S REPORT

November 4, 2015

Board of Education
West Plains R-VII School District
West Plains, Missouri 65775

Dear Members of the Board:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, fiduciary activities, and each major fund of the West Plains R-VII School District, as of and for the years ended June 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accrual basis and modified accrual basis of accounting described in Note 1 to the financial statements; this includes determining that these bases of accounting are acceptable bases for the preparation of the financial statements in the circumstances. Management is also responsible for 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 error or fraud.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits 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, fiduciary activities, and each major fund of the West Plains R-VII School District, as of June 30, 2015 and 2014, and the respective changes in financial position for the years then ended in accordance with the accrual basis and modified accrual basis of accounting as described in Note 1 to the financial statements.

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1004 WEST BROADWAY · P.O. BOX 377 · WEST PLAINS, MO 65775 · TEL: 417-256-6191 · FAX: 417-256-0357

Emphasis of Matter

As discussed in Notes 1 (M) and Note 9, West Plains R-VII School District has adopted the provisions of GASB Statement 68, as amended by GASB statement 71 relating to the accounting for participation in defined benefit pension plans. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 3-9) and budgetary comparison information (pages 37-39) and the District's Schedules of Proportionate Share of Net Pension Liability and Related Ratios and Schedules of Employer Contributions (pages 40-41) 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 the West Plains R-VII School District's basic financial statements. The accompanying financial information listed as other supplementary information in the table of contents and the Summary of Selected Information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards, the Schedules of Revenues Collected by Source-Per Annual Secretary of the Board Report (ASBR)-Governmental Funds, the Schedules of Expenditures Paid by Object-Per Annual Secretary of the Board Report (ASBR)-Governmental Funds and the Summary of Selected Information 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, these schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2015, on our consideration of the West Plains R-VII School District's 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 the West Plains R-VII School District's internal control over financial reporting and compliance.

Schultz, Wood & Rapp, P.C.

WEST PLAINS R-VII SCHOOL DISTRICT

Management's Discussion and Analysis

June 30, 2015 and 2014

The Management's Discussion and Analysis (MD&A) of the West Plains R-VII School District (the District) provides an overview and analysis of the District's financial activities for the fiscal years ended June 30, 2015 and 2014. The intent of the MD&A is to look at the District's financial performance as a whole. Readers should also review the financial statements found in the Financial Section starting on page 10, and the notes thereto to enhance their understanding of the District's financial performance.

The MD&A is an element of Required Supplementary Information specified in Governmental Accounting Standards Board (GASB) Statement No. 34 - *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* issued in 1999. Certain comparative information between the current year (2014-2015) (FY2015) and the prior (2013-2014) (FY2014) is required to be presented in the MD&A.

Financial Highlights

Key financial highlights for the fiscal years ended June 30, 2015 and 2014 include the following:

The government-wide net position increased by \$1,589,821 at June 30, 2015 as compared to a decrease of \$579,995 at June 30, 2014. The governmental funds ending fund balances decreased by \$902,906 at June 30, 2015 as compared to a decrease of \$964,899 at June 30, 2014. The difference between the government-wide net position changes and the governmental funds changes reflects the differences in the accrual basis of accounting and the modified accrual basis and is reconciled on page 18. Some of the significant differences are capitalization and depreciation of fixed assets and the method of reporting payments of bond principal, and the method of recording pension related items.

Program revenues made up 40.0% and 39.6% of the total revenues for the years ended June 30, 2015 and 2014, respectively, with general revenues making up the balance. These program revenues covered 42.6% and 38.9%, respectively of the program expenditures leaving 57.4% and 61.1%, respectively, to be covered by general revenues or the use of existing fund balances.

Using the Basic Financial Statements

The District's basic financial statements consist of a series of financial statements and the associated notes to those statements. The statements are organized so the reader can understand the operations of the District as a whole, i.e., an entire operating entity. The "Basic Financial Statements" section, includes government-wide financial statements, fund financial statements and notes to financial statements.

The government-wide financial statements, consisting of the Government-Wide Statements of Net Position and the Government-Wide Statements of Activities, provide highly consolidated financial information and render a government-wide perspective of the District's financial condition. They present an aggregate view of the District's finances. These statements seek to answer the question, "How did the District do financially during the 2014-2015 fiscal year?" In short, is the District better or worse financially this year than the prior year? These statements include all assets and liabilities using the accrual basis of accounting used by most private-sector enterprises. The accrual basis takes into account all of the District's current year revenues and expenses regardless of when paid or received.

By showing the change in net position for the years, the reader may ascertain whether the District's financial condition has improved or deteriorated. The changes discussed in the MD&A may be financial or non-financial in nature. Non-financial factors which may have an impact on the District's financial condition include increases in or erosion of the property or sales tax base within the District, facilities maintenance and condition, mandated educational programs for which little or no funding is provided, or other external factors.

To provide more in-depth reporting of the District's financial position and changes in financial position, fund basis financial information is presented in the "Fund Financial Statements" section beginning on page 13. These funds are required to be established by state law and by bond covenants. These fund financial statements help the reader to determine whether there are more or fewer financial resources that can be spent in the near future for District programs.

Fund financial statements also provide more in-depth data on the District's most significant funds, its General Fund, Special Revenue Fund, Debt Service Fund and Capital Projects Fund. These funds are considered "major funds" under GASB Statement No. 34. The relationship between governmental activities reported in the government-wide financial statements and the governmental funds reported in the fund financial statements is reconciled in the financial statements on pages 15 and 18.

The remaining financial statements of the fiduciary funds present financial information relative to the fiduciary fund position held by the District on behalf of employees, private organizations or other governments in a position of trust. Fiduciary funds are excluded from the government-wide financial statements because the assets are not available for District operations.

Government-Wide Financial Analysis

Net position of the District reflects the excess of assets and deferred outflows of resources over liabilities and deferred inflows of resources. Net position of the District at June 30 consists of the following:

	<u>2015</u>	<u>2014</u>
Current assets	\$ 7,360,766	9,302,060
Capital assets	21,170,085	18,916,272
Total assets	<u>28,530,851</u>	<u>28,218,332</u>
Deferred outflows of resources	<u>2,496,388</u>	<u>-</u>
Long-term liabilities	18,948,540	5,615,000
Current liabilities	1,573,714	2,696,150
Total liabilities	<u>20,522,254</u>	<u>8,311,150</u>
Deferred inflows of resources	<u>6,254,664</u>	<u>-</u>
Net position		
Invested in capital assets, net of related debt	14,148,417	12,531,272
Restricted	1,321,903	1,750,605
Unrestricted	<u>(11,219,999)</u>	<u>5,625,305</u>
Total net position	<u>\$ 4,250,321</u>	<u>19,907,182</u>

Net position at June 30, 2015 reflected an increase of \$1,589,821 and net position at June 30, 2014 reflected a decrease of \$579,995 from the prior year balances. Key elements of these changes consist of the following:

	<u>2015</u>	<u>2014</u>
Revenues:		
Program revenues:		
Charges for services	\$ 5,527,078	5,167,430
Operating grants and contributions	3,715,451	3,947,564
Capital grants and contributions	1,072,322	740,949
General revenues:		
Local taxes and fees	8,039,895	7,959,855
State and federal grants not restricted to specific programs	7,195,151	6,817,277
Other	255,090	261,319
Total revenues	<u>25,804,987</u>	<u>24,894,394</u>
Expenses:		
Instruction	13,447,570	13,839,440
Student activities	882,799	1,105,119
Student services	834,852	1,110,413
Instructional staff support	216,886	250,755
Administration	2,961,483	3,310,231
Operation of plant	2,496,812	2,595,575
Transportation	1,020,159	858,255
Food service	1,074,367	981,612
Facilities acquisition & construction	8,771	-
Adult education	832,802	900,838
Community service and other	242,264	274,559
Interest/fees on long-term debt	196,401	125,561
Total expenses	<u>24,215,166</u>	<u>25,352,358</u>
Change in net position	1,589,821	(457,964)
Transfer of West Plains Educational Fund (Note 1A)	-	(122,031)
Net Position, beginning of year	19,907,182	20,487,177
Prior period adjustment, GASB 68	<u>(17,246,682)</u>	<u>-</u>
Net Position, beginning of year after prior period adjustment	<u>2,660,500</u>	<u>20,487,177</u>
Net position, end of year	<u>\$ 4,250,321</u>	<u>19,907,182</u>

As reflected above, certain expenses of the District's government-wide activities for the years ended June 30, 2015 and 2014 are not all borne by the taxpayers of West Plains. Of these amounts \$5,527,078 and \$5,167,430 respectively, was paid by those who used or benefited from the services rendered (e.g., charges for school lunches, student activities, and school tuition) and \$4,787,773 and \$4,688,513, respectively, was paid through various federal and state grants. Consequently, the net costs of \$13,900,315 and \$15,496,415, respectively, after taking into consideration these fees and grants, were paid from other general revenues, which includes local property taxes paid by taxpayers of the District as well as other taxes and additional state and federal funding.

The table below shows the total cost of programs and the net cost of these programs (after deducting charges for services and grant revenue) of the various categories of expenses for the years ended June 30, 2015 and 2014. The "net cost" presentation allows District taxpayers to determine the remaining cost of the various categories which were borne by them or paid from other general revenues, and allows them the opportunity to assess the cost of each of these functions in comparison to the perceived benefits received.

	2015		2014	
	Total Expense of Program	Net Expense (Revenue) of Program	Total Expense of Program	Net Expense (Revenue) of Program
Instruction	\$ 13,447,570	7,023,585	\$ 13,839,440	7,501,238
Student activities	882,799	(137,751)	1,105,119	288,021
Student services	834,852	494,885	1,110,413	755,034
Instructional staff support	216,886	145,437	250,755	178,524
Administration	2,961,483	2,657,921	3,310,231	3,003,343
Operation of plant	2,496,812	2,156,581	2,595,575	2,251,616
Transportation	1,020,159	861,796	858,255	714,544
Food service	1,074,367	21,142	981,612	(1,039)
Support services	87,667	87,667	78,274	78,274
Facilities acquisition & construction	8,771	8,771	-	-
Adult education	832,802	279,124	900,838	430,916
Community service and other	154,597	105,890	192,965	168,209
Interest/fees on long-term debt	196,401	195,267	128,881	127,735
Total	<u>\$ 24,215,166</u>	<u>13,900,315</u>	<u>25,352,358</u>	<u>15,496,415</u>

Governmental Funds Financial Analysis

The District uses funds to control and manage money for particular purposes (e.g., dedicated taxes and bond proceeds). The fund basis financial statements allow the District to demonstrate its stewardship over and accountability for resources provided by taxpayers and other entities. These statements also allow the reader to obtain more insight into the financial workings of the District, and assess further the District's financial health.

The District completed the fiscal year ended June 30, 2015 with a combined fund balance for governmental funds (as presented in the balance sheet on page 13) of \$5,610,766 as compared to a combined fund balance of \$6,513,672 as of July 1, 2014, a decrease of \$902,906.

During 2015, the fund balance of the general fund decreased by \$492,314, primarily due to transfers to other funds.

The major source of local revenue for operations is local property taxes amounting to \$5,511,541 and \$5,431,373 in 2015 and 2014, respectively. This amount is derived from the District's adjusted operating levy of \$3.6318 and \$3.6471 per \$100 of assessed valuation for calendar years 2015 and 2014, respectively. Other significant local revenues for 2015 and 2014 consist of \$1,847,197 and \$1,840,272 from sales tax, \$315,133 and \$302,816 from intangible tax (commercial property), breakfast and lunch revenues of \$220,672 and \$217,442, post-secondary tuition of \$553,678 and \$463,995, and student activity revenue of \$869,336 and \$664,227, respectively.

County revenue of \$313,085 and \$322,369 for 2015 and 2014, respectively, was derived primarily from county fine receipts and state assessed utility taxes.

State funding makes up 35.3% and 34.6% of total revenues for 2015 and 2014, respectively. The Missouri state foundation basic formula increased in 2015 by \$401,949 to \$7,018,536 and in 2014 increased by \$151,423 to \$6,616,587 . Other significant state revenues are:

	<u>2015</u>	<u>2014</u>
Classroom trust fund	\$ 721,557	784,883
High need fund	43,868	90,066
State transportation aid	158,363	143,711
Early childhood special education program	402,671	281,243
Vocational/At risk program	521,182	540,238
Vocational enhancement grant	109,095	61,104

Title I funding amounted to \$695,793 and \$1,030,074 in 2015 and 2014, respectively. Federal food services reimbursements amounted to \$825,350 and \$756,868 for 2015 and 2014, respectively. All other federal revenues are designated for special programs, such as individuals with disabilities, instructional improvement, and various other direct grants.

Total governmental funds expenditures were \$26,707,773 and \$25,737,111 for 2015 and 2014, respectively. The General Fund accounts for 37.2% and 37.3% of the total expenditures for 2015 and 2014, respectively. The Special Revenue Fund accounts for 52.9% and 55.6% for 2015 and 2014, respectively, of the expenditures and primarily consists of certificated salaries and employee benefits. Capital Projects Fund expenditures for capital equipment and facility repairs and construction projects for 2015 and 2014 amounted to \$2,629,416 and \$1,846,466, respectively.

The following table summarizes the governmental fund revenues and expenditures for the years ended June 30:

	<u>2015</u>	<u>2014</u>
<u>Revenue</u>		
Local and other	\$ 9,902,227	9,279,074
County	313,085	322,369
Tuition from other districts	3,909,648	3,826,016
State	9,096,537	8,614,458
Federal	2,583,370	2,852,326
	<u>\$ 25,804,867</u>	<u>24,894,243</u>
<u>Expenditures</u>		
Instruction	\$ 13,886,154	13,614,148
Administration and support	9,699,852	9,446,057
Acquisition and construction	1,924,879	693,743
Debt service	157,091	889,360
Community service and other	1,039,797	1,093,803
	<u>\$ 26,707,773</u>	<u>25,737,111</u>

-continued-

General Fund and Total Budgetary Highlights

Over the course of each fiscal year, the School Board revises its budget to take into consideration expected changes in revenues or expenditures. Missouri Statutes for public school finance, Section 67.010, RSMo. requires a budget amendment if anticipated expenditures are in excess of budgetary goals. The original budget was adopted on June 18, 2014 and the final budget was approved on June 30, 2015.

A schedule showing the General Fund's original budget and the final budget compared with actual operating results is provided in this report on page 37.

The General Fund's actual revenues reflect a decrease of \$61,625 which is 0.5% under the original budgeted revenues. The majority of this decrease was attributable to decreases in federal revenues. The General Fund's actual expenditures reflect an increase of \$22,739, which is 0.2% over the original budgeted expenditures.

For fiscal year 2015, total actual revenues exceeded the total original budgeted revenues by \$1,214,415, and total actual expenditures exceeded originally budgeted expenditures by \$943,938.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2015, the District had \$21,170,085 (net of accumulated depreciation) invested in a broad range of capital assets, including land, buildings, furniture, buses and vehicles, computers, and other equipment. Increases during the year represent additions to those categories, while decreases represent retirements of assets during the year and depreciation for the year.

Assets which were capitalized as additions totaled \$3,730,313 and \$1,551,292 for 2015 and 2014, respectively. Asset disposals for 2015 and 2014 were \$7,782,711 and \$0, respectively. Depreciation amounted to \$1,476,500 and \$1,333,571 for 2015 and 2014, respectively.

Additional information on the District's capital assets can be found in Note 5 on page 27 of the financial statements.

Long-Term Debt

At June 30, 2015, the District had outstanding capital lease obligations of \$7,021,668 compared to \$6,385,000 at June 30, 2014 and \$7,150,000 at June 30, 2013. Payment of principal of \$933,664 and new debt issuance of \$1,570,332 caused the 2015 change. Principal payments of \$765,000 caused the 2014 change.

State statutes limit the amount of general obligation debt a school district may issue to 15% of the assessed valuation. The legal debt margin of \$23,286,077 at June 30, 2015 is an increase of \$440,263 over the June 30, 2014 debt margin of \$22,845,814, following an increase of \$1,520,117 from the limitation of \$21,325,697, as of June 30, 2013.

The District had obligations for compensated absences of \$434,699 and \$418,029 at June 30, 2015 and 2014, respectively.

Additional information on the District's long-term obligations can be found in Note 6 on pages 27-28 of the financial statements.

Economic Factors and Next Year's Budget

The District's administration is carefully watching developments unfolding within the Missouri legislature, the executive branch, and the judicial system. In the past, the state has had many budget cuts and the supporters of public education are seeking to protect the public school sector from even deeper funding cuts. The final effects cannot be known until the situation unfolds for the remainder of 2015-2016.

Contacting the District's Financial Management

While this Management's Discussion & Analysis is designed to provide a general overview of the financial condition and operations of the District, citizens groups, taxpayers, parents, students, investors or creditors may want further details. To obtain such details, please contact Superintendent Mulford at the District administration offices, 305 Valley View Dr., West Plains, Missouri 65775.

WEST PLAINS R-VII SCHOOL DISTRICT
Government-Wide Statements of Net Position
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Cash	\$ 5,951,239	6,062,357
Investments	664,192	1,321,694
Receivables	649,117	1,586,993
Prepaid expenses	74,315	291,003
Inventories	21,903	40,013
Capital assets, net of accumulated depreciation	<u>21,170,085</u>	<u>18,916,272</u>
Total assets	<u>28,530,851</u>	<u>28,218,332</u>
Deferred outflows of resources	<u>2,496,388</u>	<u>-</u>
Liabilities:		
Accounts payable	116,256	277,663
Accrued interest payable	53,207	41,427
Accrued payroll and related benefits	969,552	1,189,031
Compensated absences payable	434,699	418,029
Capital lease obligations payable:		
Due within one year	880,733	770,000
Due in more than one year	6,140,935	5,615,000
Net pension liability	<u>11,926,872</u>	<u>-</u>
Total liabilities	<u>20,522,254</u>	<u>8,311,150</u>
Deferred inflows of resources	<u>6,254,664</u>	<u>-</u>
Net Position:		
Invested in capital assets, net of related debt	14,148,417	12,531,272
Restricted for:		
Inventory	21,903	40,013
Capital improvements	1,300,000	1,710,592
Unrestricted	<u>(11,219,999)</u>	<u>5,625,305</u>
Total net position	<u>\$ 4,250,321</u>	<u>19,907,182</u>

The accompanying notes are integral part of these financial statements.

WEST PLAINS R-VII SCHOOL DISTRICT
Government-Wide Statements of Activities
Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
General instruction	\$ (12,444,064)	1,776,763	1,774,763	962,435	(7,930,103)
Vocational instruction	(1,003,506)	1,010,328	789,809	109,887	906,518
Student activities	(882,799)	1,020,550	-	-	137,751
Attendance and guidance	(534,021)	151,214	-	-	(382,807)
Health services	(199,781)	1,890	111,256	-	(86,635)
Improvement of instruction	(164,579)	71,071	-	-	(93,508)
Professional development	(52,307)	378	-	-	(51,929)
Media services	(101,050)	75,607	-	-	(25,443)
General administration	(1,798,080)	302,428	-	-	(1,495,652)
Building level administration	(1,163,403)	1,134	-	-	(1,162,269)
Operation of plant	(2,496,812)	340,231	-	-	(2,156,581)
Security services	(3,041)	-	-	-	(3,041)
Pupil transportation	(1,020,159)	-	158,363	-	(861,796)
Food services	(1,074,367)	220,672	832,553	-	(21,142)
Support services	(87,667)	-	-	-	(87,667)
Facilities acquisition & construction	(8,771)	-	-	-	(8,771)
Adult education	(832,802)	553,678	-	-	(279,124)
Community services	(151,556)	-	48,707	-	(102,849)
Interest	(196,401)	1,134	-	-	(195,267)
Total	<u>\$ (24,215,166)</u>	<u>5,527,078</u>	<u>3,715,451</u>	<u>1,072,322</u>	<u>(13,900,315)</u>
General Revenues					
Local taxes and fees					8,039,895
State and federal grants not restricted to specific programs					7,195,151
Investment earnings					157,685
Miscellaneous					97,405
Total general revenues					<u>15,490,136</u>
Change in Net Position					<u>1,589,821</u>
Net Position, beginning of year					19,907,182
Prior period adjustment, GASB 68					<u>(17,246,682)</u>
Net Position, beginning of year after prior period adjustment					<u>2,660,500</u>
Net Position, end of year					<u>\$ 4,250,321</u>

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

WEST PLAINS R-VII SCHOOL DISTRICT
Government-Wide Statements of Activities
Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
General instruction	\$ (12,831,041)	1,796,230	2,178,150	683,581	(8,173,080)
Vocational instruction	(1,008,399)	917,224	705,649	57,368	671,842
Student activities	(1,105,119)	817,098	-	-	(288,021)
Attendance and guidance	(677,707)	152,871	-	-	(524,836)
Health services	(178,894)	1,911	124,162	-	(52,821)
Improvement of instruction	(125,387)	71,849	-	-	(53,538)
Professional development	(125,368)	382	-	-	(124,986)
Media services	(253,812)	76,435	-	-	(177,377)
General administration	(1,858,903)	305,741	-	-	(1,553,162)
Building level administration	(1,451,328)	1,147	-	-	(1,450,181)
Operation of plant	(2,595,575)	343,959	-	-	(2,251,616)
Security services	(3,320)	-	-	-	(3,320)
Pupil transportation	(858,255)	-	143,711	-	(714,544)
Food services	(981,612)	217,442	765,209	-	1,039
Support services	(78,274)	-	-	-	(78,274)
Adult education	(900,838)	463,995	5,927	-	(430,916)
Community services	(192,965)	-	24,756	-	(168,209)
Interest and fees	(125,561)	1,146	-	-	(124,415)
Total	\$ (25,352,358)	5,167,430	3,947,564	740,949	(15,496,415)
General Revenues					
					7,959,855
					6,817,277
					161,273
					100,046
					<u>15,038,451</u>
					(457,964)
					(122,031)
					<u>20,487,177</u>
					<u>\$ 19,907,182</u>

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

WEST PLAINS R-VII SCHOOL DISTRICT
 Balance Sheets - Governmental Funds
 (Modified Accrual Basis)
 June 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	2015 Total
<u>Assets</u>				
Cash	\$ 5,163,195	(464,707)	1,252,751	5,951,239
Accounts receivable	180,610	464,707	3,800	649,117
Prepaid expenses	17,965	-	56,350	74,315
Inventories	21,903	-	-	21,903
	<u>\$ 5,383,673</u>	<u>-</u>	<u>1,312,901</u>	<u>6,696,574</u>
<u>Liabilities and Fund Equity</u>				
Liabilities:				
Accounts payable	\$ 103,355	-	12,901	116,256
Salaries, wages, amounts withheld from employees and employer's share of payroll taxes, retirement and insurance	969,552	-	-	969,552
Total Liabilities	<u>1,072,907</u>	<u>-</u>	<u>12,901</u>	<u>1,085,808</u>
Fund Equity:				
Fund Balances:				
Nonspendable for inventories	21,903	-	-	21,903
Nonspendable for prepaid expenses	17,965	-	-	17,965
Assigned for specific fund purposes	-	-	1,300,000	1,300,000
Unassigned fund balance	4,270,898	-	-	4,270,898
Total Fund Equity	<u>4,310,766</u>	<u>-</u>	<u>1,300,000</u>	<u>5,610,766</u>
	<u>\$ 5,383,673</u>	<u>-</u>	<u>1,312,901</u>	<u>6,696,574</u>

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

WEST PLAINS R-VII SCHOOL DISTRICT
Balance Sheets - Governmental Funds
(Modified Accrual Basis)
June 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	2014 Total
<u>Assets</u>				
Cash	\$ 5,499,807	(237,352)	799,902	6,062,357
Accounts receivable	312,174	237,352	1,037,467	1,586,993
Prepaid expenses	291,003	-	-	291,003
Inventories	40,013	-	-	40,013
	<u>\$ 6,142,997</u>	<u>-</u>	<u>1,837,369</u>	<u>7,980,366</u>
<u>Liabilities and Fund Equity</u>				
Liabilities:				
Accounts payable	\$ 150,886	-	126,777	277,663
Salaries, wages, amounts withheld from employees and employer's share of payroll taxes, retirement and insurance	1,189,031	-	-	1,189,031
Total Liabilities	<u>1,339,917</u>	<u>-</u>	<u>126,777</u>	<u>1,466,694</u>
Fund Equity:				
Fund Balances:				
Nonspendable for inventories	40,013	-	-	40,013
Nonspendable for prepaid expenses	291,003	-	-	291,003
Assigned for specific fund purposes	-	-	1,710,592	1,710,592
Unassigned fund balance	4,472,064	-	-	4,472,064
Total Fund Equity	<u>4,803,080</u>	<u>-</u>	<u>1,710,592</u>	<u>6,513,672</u>
	<u>\$ 6,142,997</u>	<u>-</u>	<u>1,837,369</u>	<u>7,980,366</u>

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

WEST PLAINS R-VII SCHOOL DISTRICT
 Reconciliations of the Balance Sheets - Governmental Funds
 to the Government-Wide Statements of Net Position
 June 30, 2015 and 2014

	2015	2014
Amounts reported for governmental activities in the statement of net position are different due to the following:		
Total fund balances - Total Governmental Funds	\$ 5,610,766	6,513,672
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	21,170,085	18,916,272
Certain liabilities for compensated absences are recognized as liabilities in the governmental funds only when the amounts are normally expected to be liquidated with expendable available financial resources.	(434,699)	(418,029)
Pension related deferred outflows/inflows and liabilities are not recorded in the governmental funds statements.		
Net pension liability	(11,926,872)	-
Deferred outflows of resources	2,496,388	-
Deferred inflows of resources	(6,254,664)	-
Capital leases payable are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.		
Cash held by fiscal agent	664,192	1,321,694
Capital lease obligations payable	(7,021,668)	(6,385,000)
Accrued interest on leases	(53,207)	(41,427)
Total net position - Government-Wide Statement of Net Position	\$ 4,250,321	19,907,182

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

WEST PLAINS R-VII SCHOOL DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds
(Modified Accrual Basis)
Years Ended June 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	2015 Total
Revenues:				
Local	\$ 8,695,556	692,699	513,647	9,901,902
County	218,980	94,105	-	313,085
State	2,138,447	6,117,622	840,468	9,096,537
Federal	1,414,178	1,165,392	3,800	2,583,370
Tuition from other districts	-	3,909,648	-	3,909,648
Other	-	-	325	325
Total Revenues	12,467,161	11,979,466	1,358,240	25,804,867
Expenditures:				
General instruction	2,496,158	10,205,160	1,995	12,703,313
Vocational instruction	118,117	895,324	169,400	1,182,841
Student activities	829,085	-	-	829,085
Attendance and guidance	107,980	485,361	-	593,341
Health services	159,689	41,519	-	201,208
Improvement of instruction	40,027	124,830	-	164,857
Professional development	51,019	19,558	-	70,577
Media services	96,059	167,506	-	263,565
General administration	1,420,886	481,432	153,600	2,055,918
Building level administration	408,600	1,021,306	-	1,429,906
Operation of plant	1,793,709	-	46,420	1,840,129
Security services	3,041	-	-	3,041
Pupil transportation	946,146	-	163,664	1,109,810
Food services	1,041,664	-	9,084	1,050,748
Support services	87,667	-	-	87,667
Facilities acquisition and construction	-	-	1,924,879	1,924,879
Adult education	279,220	588,720	3,283	871,223
Community services	67,133	101,441	-	168,574
Capital lease payments:				
Interest	-	-	149,521	149,521
Fees	-	-	7,570	7,570
Total Expenditures	9,946,200	14,132,157	2,629,416	26,707,773
Revenues over (under) expenditures	2,520,961	(2,152,691)	(1,271,176)	(902,906)
Other financing sources (uses): Transfers	(3,013,275)	2,152,691	860,584	-
Fund balances, beginning of year	4,803,080	-	1,710,592	6,513,672
Fund balances, end of year	\$ 4,310,766	-	1,300,000	5,610,766

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

WEST PLAINS R-VII SCHOOL DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds
(Modified Accrual Basis)
Years Ended June 30, 2014

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	2014 Total
Revenues:					
Local	\$ 8,540,333	690,437	-	10,000	9,240,770
County	220,176	102,193	-	-	322,369
State	2,210,653	5,672,856	-	730,949	8,614,458
Federal	1,775,521	1,076,805	-	-	2,852,326
Tuition from other districts	3,826,016	-	-	-	3,826,016
Other	-	-	-	38,304	38,304
Total Revenues	16,572,699	7,542,291	-	779,253	24,894,243
Expenditures:					
General instruction	2,435,780	10,087,549	-	-	12,523,329
Vocational instruction	114,601	893,798	-	82,420	1,090,819
Student activities	726,810	298,761	-	-	1,025,571
Attendance and guidance	110,235	567,472	-	-	677,707
Health services	178,894	-	-	-	178,894
Improvement of instruction	50,420	74,967	-	-	125,387
Professional development	56,981	68,387	-	-	125,368
Media services	93,898	159,914	-	-	253,812
General administration	1,386,269	465,865	-	133,326	1,985,460
Building level administration	447,492	1,003,836	-	6,150	1,457,478
Operation of plant	1,710,211	417	-	13,553	1,724,181
Security services	3,320	-	-	-	3,320
Pupil transportation	830,896	-	-	-	830,896
Food services	951,795	-	-	27,914	979,709
Support services	76,467	1,807	-	-	78,274
Facilities acquisition and construction	-	-	-	693,743	693,743
Adult education	279,680	621,158	-	-	900,838
Community services	136,835	56,130	-	-	192,965
Capital lease payments:					
Principal	-	-	-	765,000	765,000
Interest and fees	-	-	-	124,360	124,360
Total Expenditures	9,590,584	14,300,061	-	1,846,466	25,737,111
Revenues over (under) expenditures	6,982,115	(6,757,770)	-	(1,067,213)	(842,868)
Other financing sources (uses): Transfers	(7,038,469)	6,418,111	(122,031)	620,358	(122,031)
Fund balances, beginning of year	4,859,434	339,659	122,031	2,157,447	7,478,571
Fund balances, end of year	\$ 4,803,080	-	-	1,710,592	6,513,672

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

WEST PLAINS R-VII SCHOOL DISTRICT

Reconciliations of the Statement of Revenues, Expenditures and Changes in Fund
Balances - Governmental Funds to the Government-Wide Statements of Activities
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Amounts reported for governmental activities in the statement of activities are different due to the following:		
Net change in fund balances - Total Governmental Funds	\$ (902,906)	(842,868)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Depreciation expense	(1,476,500)	(1,333,571)
Capital outlays	3,730,313	1,551,292
Capital items purchased with proceeds of debt refinancings are not included in the governmental funds expenditures, but are capitalized in government-wide financial statements.	(2,200,423)	(594,186)
Repayment of capital lease principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities.	933,664	765,000
Expenditures from new debt that was not recorded in the governmental fund statements, but is recorded as interest and fees on the government-wide statement of net position.	(27,530)	-
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds, when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	(11,780)	(1,201)
Income from the 2013 and 2012 series lease certificates.	120	151
Payments to pension plans are expenditures in the governmental funds, but pension expense in the Government-Wide Statement of Net Position includes the changes in Deferred outflows/inflows of resources and net pension liability, which are not recognized in the Governmental funds statements.	1,561,533	-
Liabilities for compensated absences are recognized as expenditures in the governmental funds when the amounts are liquidated with expendable available financial resources. They are, however, reported as expenses in the statement of activities when the liability is incurred.	<u>(16,670)</u>	<u>(2,581)</u>
Change in net position - Government-Wide Statement of Activities	<u>\$ 1,589,821</u>	<u>(457,964)</u>

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

WEST PLAINS R-VII SCHOOL DISTRICT
 Statements of Fiduciary Net Position
 Fiduciary Funds
 (Cash Basis)
 June 30, 2015 and 2014

	Flexible Spending Fund		Financial Aid Fund	
	2015	2014	2015	2014
<u>Assets</u>				
Cash	\$ 5,025	5,476	-	-
<u>Net Position</u>				
Held in trust for Flexible Spending Fund	\$ 5,025	5,476	-	-

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

WEST PLAINS R-VII SCHOOL DISTRICT
Statements of Changes in Fiduciary Net Position
Fiduciary Funds
(Cash Basis)
Years Ended June 30, 2015 and 2014

	Flexible Spending Fund		Financial Aid Fund	
	2015	2014	2015	2014
<u>Additions</u>				
Grants received	\$ -	-	738,158	663,387
Total additions	-	-	738,158	663,387
<u>Deductions</u>				
Grants disbursed	-	-	738,158	663,387
Benefits to participants	451	-	-	-
Total deductions	451	-	738,158	663,387
Change in net position	(451)	-	-	-
Net position, beginning of year	5,476	5,476	-	-
Net position, end of year	<u>\$ 5,025</u>	<u>5,476</u>	<u>-</u>	<u>-</u>

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

WEST PLAINS R-VII SCHOOL DISTRICT

Notes to Financial Statements

June 30, 2015 and 2014

Note 1: Summary of Significant Accounting Policies

A. Principles Used to Determine Reporting Entity

The District's reporting entity includes the District's governing board and all related organizations for which the District exercises oversight responsibility.

The District has developed criteria to determine whether outside agencies with activities which benefit the citizens of the District, including joint agreements which serve pupils from numerous districts, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the District's reporting entity.

Included in the reporting entity:

The West Plains Education Foundation was incorporated as a not-for-profit organization whose stated purpose was to operate exclusively for the benefit of West Plains R-VII School District. Although the District was not legally responsible for the debt of this entity, its principal source of revenue was lease payments from the District. During 2014 and prior, this entity's transactions were reported as the Debt Service Fund of the Governmental Fund Financial Statements. During fiscal year 2014, due to the extinguishment of the sponsored Capital Lease obligations, this entity was removed from the District's financial statements.

B. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The statement of net position and the statement of activities display information about the District as a whole. These statements include the nonfiduciary financial activities of the District. These statements report those activities of the District that are governmental (i.e. generally supported by taxes and intergovernmental revenues). Fiduciary funds are not included in the government-wide financial statements.

The statement of net position presents the financial position of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities and the remaining revenues that are not directly associated with specific programs. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient for the goods or services offered by the program and grants and contributions (including related investment earnings) that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues.

Fund Financial Statements - The District maintains fund accounting in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at a more detailed level. Separate financial statements are provided for governmental funds and fiduciary funds. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary funds are reported in individual columns by type of activity.

WEST PLAINS R-VII SCHOOL DISTRICT

Notes to Financial Statements (continued)

June 30, 2015 and 2014

Note 1: Summary of Significant Accounting Policies (continued)

Governmental Funds - Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they are used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

General Fund - Accounts for general activities of the District not accounted for in other specific funds.

Special Revenue Fund - Accounts for expenditures for certificated employees involved in administration and instruction. It includes revenues restricted by the State and the local tax levy for the payment of salaries and certain benefits.

Debt Service Fund - Accounts for the accumulation of resources for, and the payment of, principal, interest and fiscal charges on long-term debt. During 2014 and prior, this fund encompassed the assets, liabilities and activities of the West Plains Education Foundation. During fiscal year 2015 this fund is inactive.

Capital Projects Fund - Accounts for the proceeds of long-term debt including some capital lease proceeds, taxes and other revenues designated for acquisition or construction of major capital assets and other capital outlay purchases required by law or the State of Missouri Department of Elementary and Secondary Education ("DESE") regulations to be reported in the Capital Projects Fund.

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The District's fiduciary funds account for assets held by the District in a Trustee capacity.

C. Basis of Accounting/Measurement Focus

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting principles.

The measurement focus establishes the basis of accounting. The basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, the presentation of expenses versus expenditures, the recording of capital assets, the recognition of depreciation and the recording of long-term liabilities. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the governmental fund financial statements.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the related liability is incurred, regardless of the timing of related cash flows.

The governmental fund financial statements are prepared using a flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The District considers revenues to be available if they are collected within 60 days after the end of the current fiscal period. Property taxes, state and federal grants and interest associated with the current fiscal period are all considered to be susceptible to accrual. Fiduciary fund transactions are reported using the current financial resources measurement focus and the cash basis of accounting.

WEST PLAINS R-VII SCHOOL DISTRICT

Notes to Financial Statements (continued)

June 30, 2015 and 2014

Note 1: Summary of Significant Accounting Policies (continued)

Expenditures are recorded when the liability is incurred, except for compensated absences and interest on long-term debt which are recorded when normally expected to be liquidated with expendable available financial resources. Proceeds from issuance of long-term debt are recognized when received and payment of long-term debt principal is reported as an expenditure when paid. Capital asset purchases are recorded as expenditures and depreciation are not recognized. Capital lease transactions with the Missouri Association of Rural Education (MARE) are not recognized.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. Revenues from property taxes are recognized in the period for which the taxes are levied. Revenues from grants, entitlements and donations are recognized when all eligibility requirements imposed by the provider have been satisfied. Eligibility requirements include timing requirements (which specify the year the resources are required to be used or the year when use is first permitted), matching requirements and expenditure requirements when the resources are provided to the District on a reimbursement basis. Under the modified accrual basis of accounting, revenue from nonexchange transactions must also be available before it can be recognized.

D. Budgets and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedules:

- 1) In accordance with Chapter 67, RSMo, the District adopts a budget for each fund.
- 2) The Assistant Superintendent of Finance, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning on July 1. The proposed budget includes estimated revenues and proposed expenditures for all district funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
- 3) A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.
- 4) The budget is legally enacted by a vote of the Board of Education.
- 5) Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the Board. Adjustments made during the year are reflected in the budgetary comparison schedules included in the financial statements. Budgeted amounts are presented both as originally adopted and as finally amended by the Board of Education. Expenditures of a particular fund may not legally exceed the budgeted expenditures for that fund.
- 6) Budgets for District funds are prepared and adopted on the modified accrual basis (budget basis), recognizing revenues when susceptible to accrual and expenditures when incurred. The actual results of operations presented in the budgetary comparison schedules are presented in accordance with the budget basis to provide a meaningful comparison of actual results with the budget.

E. Cash and Temporary Investments

Cash resources of the individual funds, except the debt service fund, are combined to form a pool of cash and temporary investments which is managed by the District treasurer. Investments of the pooled accounts may consist primarily of certificates of deposit and U.S. Government securities, carried at cost, which approximates market. Interest income is allocated to contributing funds based on cash and temporary investment balances. The debt service fund is statutorily required to maintain its cash and investments in separate accounts.

WEST PLAINS R-VII SCHOOL DISTRICT

Notes to Financial Statements (continued)

June 30, 2015 and 2014

Note 1: Summary of Significant Accounting Policies (continued)

F. Property Taxes and Other Receivables

Property tax revenue is recognized in the fiscal year for which the taxes have been levied and become available. Property tax revenues are considered available when they become due or past due and receivable within the current period and collected within the current period or expected to be collected within sixty days after year end.

Federal and state grant aid is reported as revenue when the reimbursable expenditures are incurred.

G. Inventories

Inventories are valued at cost and consist of carpentry program lots, houses, and food supplies. The cost is recorded as an expenditure at the time the inventory is purchased. Reported inventories are equally offset by a fund balance designation which indicates they are unavailable for appropriation.

H. Capital Assets

In the Government-Wide financial statements capital assets are recorded at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated assets are recorded at their estimated fair value as of the date received. Land is not depreciated, and other capital assets are depreciated over their useful lives of 5 to 40 years, using the straight-line method.

I. Vacation and Sick Leave

Certificated and non-certificated employees earn vacation days after completing a full year of service. Accumulated unpaid vacation, which was earned in the current and prior fiscal years but unused at the end of the current fiscal year is accrued and amounted to \$99,636 and \$83,579 at June 30, 2015 and 2014, respectively. Non-certificated employees who work less than 12 calendar months per year do not earn vacation days.

Certificated and non-certificated employees receive ten sick days annually and the unused portion is accumulated and carried forward. Sick leave is accrued at year end, and upon termination, employees receive any accumulated sick leave pay. Accrued sick leave amounted to \$335,063 and \$334,450 at June 30, 2015 and 2014, respectively.

J. Interfund Transfers

Annually, the District makes transfers between funds to cover disbursements and build fund balances as allowed by DESE and state law. Included in 2014 transfers is the elimination of the West Plains Education Foundation's net assets from the District's financial statements.

K. Subsequent Events

Subsequent events have been evaluated through November 4, 2015, which is the audit report date.

L. Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Non-spendable Fund Balance consists of funds that cannot be spent due to their form (e.g., inventories and prepaid) or that legally or contractually must be maintained intact.

Restricted Fund Balance consists of funds that are mandated for a specific purpose by external parties, constitutional provisions or enabling legislation.

WEST PLAINS R-VII SCHOOL DISTRICT

Notes to Financial Statements (continued)

June 30, 2015 and 2014

Note 1: Summary of Significant Accounting Policies (continued)

Committed Fund Balance consists of funds that are set aside for a specific purpose by the District's highest level of decision making authority. Formal action by the Board to commit funds be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.

Assigned Fund Balance consists of funds that are set aside with the intent to be used for a specific purpose by the District's highest level of decision making authority or a body or official that has been given the authority to assign funds. Assigned funds cannot cause a deficit in unassigned fund balance.

Unassigned Fund Balance consists of excess funds that have not been classified in the previous four categories. All funds in the category are considered spendable resources. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls.

M. Pension Plans

The District is required by state law to participate in the Public School Retirement System of Missouri and the Public Education Employees Retirement System of Missouri retirement plans. Financial reporting information pertaining to the District's participation in the Public School Retirement System of Missouri (PSRS) and the Public Education Employee Retirement System of Missouri (PEERS) is prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

The fiduciary net position, as well as additions to and deductions from the fiduciary net position, of PSRS and PEERS have been determined on the same basis as they are reported by PSRS and PEERS. The PSRS and PEERS financial statements were prepared using the accrual basis of accounting. The fiduciary net position is reflected in the measurement of the District's net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense and has been recorded in the District's Government-wide accrual basis financial statements.

Note 2: Cash and Investments

The District complies with various restrictions on deposits and investments which are imposed by state statutes as follows:

Deposits - All deposits with financial institutions must be collateralized in an amount at least equal to uninsured deposits.

Investments - The District may purchase any investments allowed by the State Treasurer. These include (1) obligations of the United States government or any agency or instrumentality thereof maturing and becoming payable not more than five years from the date of purchase, (2) repurchase agreements maturing and becoming payable within ninety days secured by U.S. Treasury obligations or obligations of U.S. government agencies or instrumentalities of any maturity, as provided by law, (3) bankers' acceptances, and (4) commercial paper. Investments are reported at fair market value, as determined by quoted market prices as of June 30, 2015 and 2014, respectively.

WEST PLAINS R-VII SCHOOL DISTRICT

Notes to Financial Statements (continued)

June 30, 2015 and 2014

Note 2: Cash and Investments (continued)

At June 30, 2015, the District had cash balances at banks of \$7,690,955 which were sufficiently covered by federal depository insurance and by collateral held at the District's safekeeping bank agents, in the District's name.

The District had the following escrowed cash and investments held by fiscal agents at June 30, 2015 and 2014:

Type of Investment	Fair Value	Maturity Less than 1 Year	Maturity 1-5 Years
June 30, 2015:			
External investment pools:			
Federated Government Obligation Fund held at UMB Bank, N.A.	\$ 664,192	664,192	-
	<u>\$ 664,192</u>	<u>664,192</u>	<u>-</u>
June 30, 2014:			
External investment pools:			
Federated Government Obligation Fund held at UMB Bank, N.A.	\$ 1,321,694	1,321,694	-
	<u>\$ 1,321,694</u>	<u>1,321,694</u>	<u>-</u>

Interest Rate Risk: The District's investment policy structures its portfolio so that certificates of deposit and other investments mature to meet cash requirements for operations to avoid redeeming investments at a pre-maturity or open market loss. Consequently, the District invests its operating funds in short-term securities.

Credit Risk: The District reduces its credit risk due to the failure of the security issuer or backer by pre-qualifying the financial institutions and intermediaries with which the District will do business and by diversifying the portfolio so that potential loss will be minimized. The District obtains adequate collateralization as to bank depositories and investing in external investment pools that comply with Missouri state law. At June 30, 2015, the Federated Government Obligation Fund #703 is rated AAAM by Standard and Poor's.

Custodial Credit Risk: To minimize custodial credit risk, the District requires investments be perfected in the name of or for the District and if necessary, held by third-party custodians with appropriate safekeeping receipts.

Concentration of Credit Risk: The District's investment policy mandates diversification of the investment portfolio to avoid concentration of assets in specific maturity, specific issuer or specific class of securities. To avoid concentration, the District restricts its investments to short-term bank depositories and external investment pools which manage their investment portfolios in accordance with Missouri state law and state Treasurer guidelines for Missouri school districts.

Note 3: Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and payable by December 31. The county collects the property tax and remits it to the District.

The assessed valuation of the taxable property for the calendar years 2015 and 2014 for purposes of local taxation was \$155,240,510 and \$152,305,427, respectively.

The tax levies per \$100 of assessed valuation of taxable property for the calendar years 2015 and 2014 for purposes of local taxation were:

	2015		2014	
	Unadjusted	Adjusted	Unadjusted	Adjusted
General Fund	\$ 3.6318	3.6318	3.6471	3.6471

The receipts of current and delinquent property taxes during the fiscal years ended June 30, 2015 and 2014, aggregated approximately 97.8% and 97.8%, respectively, of the current assessment computed on the basis of the levy as shown above.

WEST PLAINS R-VII SCHOOL DISTRICT
Notes to Financial Statements (continued)
June 30, 2015 and 2014

Note 4: Contingencies

From time to time, the District is a defendant in various lawsuits and/or arbitration claims. Although the outcome of such cases of action are not presently determinable, in the opinion of the District's management and legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

Note 5: Capital Assets and Accumulated Depreciation

A summary of changes in capital assets for the years ended June 30, 2014 and 2015 follows:

	Balances			Balances			Balances
	July 1, 2013	Additions	Disposals	June 30, 2014	Additions	Disposals	June 30, 2015
Land	\$ 672,383	-	-	672,383	-	-	672,383
Buildings	28,098,098	1,256,151	-	29,354,249	2,646,779	-	32,001,028
Furniture, Vehicles & Equipment	11,782,906	295,141	-	12,078,047	1,083,534	7,782,711	5,378,870
Total	\$ 40,553,387	1,551,292	-	42,104,679	3,730,313	7,782,711	38,052,281

A summary of changes in accumulated depreciation for the years ended June 30, 2014 and 2015 follows:

	Balances	Depreciation	Disposals	Balances	Depreciation	Disposals	Balances
	July 1, 2013	Expense		June 30, 2014	Expense		June 30, 2015
Buildings	\$ 11,844,967	845,274	-	12,690,241	884,986	-	13,575,227
Furniture, Vehicles & Equipment	10,009,869	488,297	-	10,498,166	591,514	7,782,711	3,306,969
Total	\$ 21,854,836	1,333,571	-	23,188,407	1,476,500	7,782,711	16,882,196

A summary of the allocation of depreciation for the years ended June 30, 2015 and 2014 follows:

	2015	2014
General instruction	\$ 295,636	305,131
Student activities	80,222	79,548
General administration	13,468	6,769
Operation of plant	921,401	884,947
Pupil transportation	133,070	27,359
Food service	32,703	29,817
Total	\$ 1,476,500	1,333,571

Note 6: Long-term Debt

Capital Leases

During July 2012, the District issued the Series 2012 lease certificates in the principal amount of \$1,522,000 to provide funds for the remodeling and improvement of the career center. These lease certificates are payable in varying amounts through 2022 and bear interest at varying rates from 1.07% to 3.07%.

During 2013, the District issued the Series 2013 lease refunding certificates in the principal amount of \$5,780,000. The proceeds of these certificates were used to retire previously issued lease certificates, fund additional capital improvements and pay \$109,399 of costs of issuing the refunding certificates. These lease certificates are payable in varying amounts through 2022 and bear interest varying from 0.57% to 2.6%.

On July 8, 2014, the District issued the Series 2015 school bus lease certificates in the principal amount of \$745,332. The proceeds of these certificates were used to purchase 9 school buses for use by the District and pay \$2,800 of costs of issuing the refunding certificates. These lease certificates are payable in varying amounts through 2024 and bear interest at 2.15%.

WEST PLAINS R-VII SCHOOL DISTRICT

Notes to Financial Statements (continued)

June 30, 2015 and 2014

Note 6: Long-term Debt (continued)

Capital Leases (continued)

On July 16, 2014, the District issued the Series 2015 lease certificates in the principal amount of \$825,000. The proceeds of these certificates will be used to fund additional capital improvements and pay \$24,713 of costs of issuing the refunding certificates. These lease certificates are payable in varying amounts through 2024 and bear interest at 3.25%.

These leases qualify as capital leases for accounting purposes and therefore have been recorded at the present value of the future minimum lease payments as of the date of their inception. The improvements associated with these projects have been capitalized as capital assets, and unexpended funds of \$664,192 are held in escrow at UMB Bank, N.A. as of June 30, 2015.

Transactions related to these leases for the years ended June 30, 2014 and 2015 are as follows:

	Series 2012	Series 2013	Series 2015 Bus	Series 2015	Total
Capital leases payable, July 1, 2013	\$ 1,370,000	5,780,000	-	-	7,150,000
Principal payments	(140,000)	(625,000)	-	-	(765,000)
Capital leases payable, June 30, 2014	1,230,000	5,155,000	-	-	6,385,000
New borrowings	-	-	745,332	825,000	1,570,332
Principal payments	(145,000)	(625,000)	(163,664)	-	(933,664)
Capital leases payable, June 30, 2015	<u>\$ 1,085,000</u>	<u>4,530,000</u>	<u>581,668</u>	<u>825,000</u>	<u>7,021,668</u>

The following is a summary of all future lease payments under the leases:

Year Ending June 30	
2016	\$ 1,036,344
2017	1,035,336
2018	1,032,206
2019	1,036,914
2020	1,034,851
2021-2024	<u>2,628,221</u>
Total Lease Payments	7,803,872
Less Amounts Representing Interest	<u>(782,204)</u>
Net Lease Payments	<u>\$ 7,021,668</u>

General Obligation Bonds

Article VI, Section 26 (b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a District to 15 percent of the assessed valuation of the District (including state-assessed railroad and utilities). The legal debt margin (computed excluding state-assessed railroad and utility) of the District at June 30, 2015 was:

Constitutional debt limit	
General obligation bonds payable	\$ 23,286,077
Amount in Debt Service Fund available for payment of bond principal - balance sheet	<u>-</u>
Legal debt margin	<u>\$ 23,286,077</u>

At June 30, 2015, the District was in compliance with the above article of the Constitution of Missouri.

WEST PLAINS R-VII SCHOOL DISTRICT

Notes to Financial Statements (continued)

June 30, 2015 and 2014

Note 7: Healthcare and Other Postemployment Benefits

Plan Description. West Plains R-VII School District provided its Healthcare Plan annually through its participation in a defined benefit health care plan, which included available health care coverage for the District's retired employees, if so elected. The Plan provides health care coverage for certain persons (and their dependents) who are currently employed or retired within the District. Current employee premiums are funded via a combination of payroll contributions from such employees and District contributions. Retiree premiums are funded solely via retiree contributions.

Funding Policy. Contribution requirements under the pay-as-you-go plans were actuarially determined each fiscal year ended June 30 by independent health care insurance providers chosen by the District during a formal bidding process. Monthly contribution rates vary depending upon coverage elected for employees, retirees and/or their dependents.

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Insurance provider	Coventry	Coventry	Coventry
<u>Employee coverage</u>			
Monthly healthcare contribution rates ranged as follows:	\$22 to \$894	\$42 to \$932	\$39 to \$895
Healthcare costs for current employees and dependents is summarized as follows:			
Employee paid contributions	\$ 309,305	329,264	392,420
District paid contributions	<u>1,593,086</u>	<u>1,482,159</u>	<u>1,493,475</u>
Total employee healthcare costs	<u>\$ 1,902,391</u>	<u>1,811,423</u>	<u>1,885,895</u>
<u>Retiree coverage</u>			
Number of retirees electing coverage	<u>68</u>	<u>72</u>	<u>68</u>
Monthly healthcare contribution rates ranged as follows:	\$421 to \$1,314	\$366 to \$1,299	\$352 to \$1,247
Healthcare costs for retired employees and dependents is summarized as follows:			
Retired employee paid contributions	\$ 374,723	364,868	379,352
District paid contributions	<u>-</u>	<u>-</u>	<u>-</u>
Total retiree healthcare costs	<u>\$ 374,723</u>	<u>364,868</u>	<u>379,352</u>

Note 8: Risk Management

The District is exposed to various risks of loss from tort; theft of, damage to and destruction of assets; business interruption; error and omissions; natural disasters; employee injuries and illnesses; and employee health, dental and accident benefits. The District has transferred its risk by obtaining coverage with commercial insurance companies. There has been no significant reduction in insurance coverage from the prior year.

WEST PLAINS R-VII SCHOOL DISTRICT

Notes to Financial Statements (continued)

June 30, 2015 and 2014

Note 9: Pension Plans

General Information

Introduction. The following information is derived from the audited financial statements of PSRS and PEERS, which can be obtained at www.psr-peers.org. The information presented applies to both PSRS and PEERS unless otherwise indicated.

PSRS Plan Description. PSRS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of PSRS, Missouri State Teachers' Association, Missouri State High School Activities Association, and certain employees of the state of Missouri who elected to remain covered by PSRS under legislation enacted in 1986, 1987 and 1989. The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS members required to contribute to Social Security comes under the requirements of Section 169.070(9) RSMo, known as the "2/3's statute." PSRS members required to contribute Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount.

Benefits Provided. PSRS is a defined benefit plan providing retirement, disability, and death/ survivor benefits. Members are vested for retirement benefits after accruing five years of service. Individuals who (a) are at least 60 years of age and have a minimum of 5 years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Beginning July 1, 2001, and ending July 1, 2014, a 2.55% benefit factor is used to calculate benefits for members who have 31 or more years of service. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount. A Summary Plan Description detailing the provisions of the plan can be found on PSRS' website at www.psr-peers.org. Since the prior valuation date, the benefit provisions were amended to make permanent an early retirement benefit allowing members to retire at any age after 25 years of service.

Cost-of-Living Adjustments (COLA). The PSRS Board has established a policy providing a 2.00% COLA for years in which the CPI increases between 0.00% and 5.00%. If the CPI increase is greater than 5.00%, the Board will provide a COLA of 5.00%. If the CPI decreases, no COLA is provided. For any member retiring on or after July 1, 2001, such adjustments commence on the second of January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

Contributions. PSRS members were required to contribute 14.5% of their annual covered salary for years ended June 30, 2015 and 2014, respectively. Employers were required to match the contributions made by the employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay. Contributions for employees of the State of Missouri were made by the state in accordance with the actuarially determined contribution rate needed to fund current costs and prior service costs of state employees as authorized in Section 104.342.8 RSMo.

The District's contributions remitted to PSRS were \$1,731,155, \$1,717,903, and \$1,713,130 for the years ended June 30, 2015, 2014 and 2013, respectively.

WEST PLAINS R-VII SCHOOL DISTRICT

Notes to Financial Statements (continued)

June 30, 2015 and 2014

Note 9: Pension Plans (Continued)

PEERS Plan Description. PEERS is a mandatory cost-sharing multiple employer retirement system for all non-certificated public school district employees (except the school districts of St. Louis and Kansas City), employees of the Missouri Association of School Administrators, and community college employees (except for the Community College of St. Louis). Employees of covered districts who work 20 or more hours per week on a regular basis and who are not contributing members of the Public School Retirement System of Missouri (PSRS) must contribute to PEERS. Employees of PSRS who do not hold Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600-169.715 and Sections 169.560-169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of the Public School Retirement System of Missouri.

Benefits Provided. PEERS is a defined benefit plan providing retirement and disability benefits to its members. Members are vested for retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 years of age and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary .8% benefit multiplier until reaching minimum Social Security age (currently 62). Actuarially age-reduced retirement benefits are available with five years of service at age 55. Members who are younger than 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount. A Summary Plan Description detailing the provisions of the plan can be found on PSRS' website at www.psrs-peers.org

Cost-of-Living Adjustments (COLA). The PEERS Board has established a policy of providing a 2.00% COLA for years in which the CPI increases between 0.00% and 5.00%. If the CPI increase is greater than 5.00%, the Board will provide a COLA of 5.00%. If the CPI decreases, no COLA is provided. For any member, such adjustments commence on the fourth January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

Contributions. PEERS members were required to contribute 6.86% of their annual covered salary during fiscal year 2015. Employers were required to match the contributions made by the employee. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The District's contributions remitted to PEERS were \$255,294, \$268,825, and \$270,590 for the years ended June 30, 2015, 2014, and 2013, respectively.

Change in Accounting Principle

Net Position as of July 1, 2014 has been restated as follows for the implementation of GASB Statement No. 68, as amended by GASB Statement No. 71.

Net Position as previously reported at June 30, 2014	\$ 19,907,182
Prior period adjustment (measurement date as of June 30, 2013)	
Net pension liability PEERS	(1,827,654)
Net pension liability PSRS	(17,405,756)
Deferred outflows:	
District Contributions made to PEERS during fiscal year 2014	268,825
District Contributions made to PSRS during fiscal year 2014	1,717,903
Net Position as restated at July 1, 2014	<u>\$ 2,660,500</u>

WEST PLAINS R-VII SCHOOL DISTRICT

Notes to Financial Statements (continued)

June 30, 2015 and 2014

Note 9: Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

PSRS: At June 30, 2015 the District had a liability of \$10,945,671 for its proportionate share of the net pension liability. The net pension liability for the plan in total was measured as of June 30, 2014 and determined by an actuarial valuation as of that date. The District's proportionate share of the total net pension liability was based on the ratio of its actual contributions of \$1,717,903 paid to PSRS for the year ended June 30, 2014 relative to the actual contributions of \$643,964,894 from all participating employers. At June 30, 2014, the District proportionate share was 0.2668%.

For the year ended June 30, 2015, the District recognized a pension expense of \$329,618 in the government-wide financial statement of activities which is its proportionate share of the total pension expense.

At June 30, 2015, the District had deferred outflows of resources and deferred inflows of resources from the following sources related to PSRS pension benefits:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Balance of Deferred Outflows and Inflows Due to:		
Differences between expected and actual experience	\$ 509,939	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	5,264,089
Changes in proportion and differences between Employer contributions and proportionate share of contributions	-	317,649
Employer contributions subsequent to the measurement date	1,731,155	-
	<u>\$ 2,241,094</u>	<u>5,581,738</u>

The District had \$1,731,155 as deferred outflows of resources to pensions resulting from contributions subsequent to the measurement date of June 30, 2014 that will be recognized as a reduction to the net pension liability in the year ended June 30, 2016. Other amounts reported as collective deferred (inflows) / outflows of resources to be recognized in pension expense:

Year Ending June 30:	
2016	\$ (1,280,347)
2017	(1,280,347)
2018	(1,280,347)
2019	(1,280,347)
2020	35,675
Thereafter	13,914
	<u>\$ (5,071,799)</u>

WEST PLAINS R-VII SCHOOL DISTRICT
Notes to Financial Statements (continued)
June 30, 2015 and 2014

Note 9: Pension Plans (Continued)

PEERS: At June 30, 2015, the District had a liability of \$981,201 for its proportionate share of the net pension liability. The net pension liability for the plan in total was measured as of June 30, 2014 and determined by an actuarial valuation as of that date. The district's proportionate share of the total net pension liability was based on the ratio of its actual contributions of \$268,825 paid to PEERS for the year ended June 30, 2014 relative to the actual contributions of \$100,035,580 from all participating employers. At June 30, 2014, the District's proportionate share was 0.2687%.

For the year ended June 30, 2015, the District recognized a pension expense of \$95,298 in the government-wide financial statement of activities which is its proportionate share of the total pension expense.

At June 30, 2015, the District had deferred outflows of resources and deferred inflows of resources from the following sources related to PEERS pension benefits:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance of Deferred Outflows and Inflows Due to:		
Differences between expected and actual experience	\$ -	29,183
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	584,437
Changes in proportion and differences between Employer contributions and proportionate share of contributions	-	59,306
Employer contributions subsequent to the measurement date	255,294	-
	\$ 255,294	672,926

The District had \$255,294 as deferred outflows of resources to pensions resulting from contributions subsequent to the measurement date of June 30, 2014 that will be recognized as a reduction to the net pension liability in the year ended June 30, 2016. Other amounts reported as collective deferred (inflows) / outflows of resources to be recognized in pension expense:

Year Ending June 30:	
2016	\$ (174,201)
2017	(174,201)
2018	(174,201)
2019	(150,323)
	\$ (672,926)

WEST PLAINS R-VII SCHOOL DISTRICT
Notes to Financial Statements (continued)
June 30, 2015 and 2014

Note 9: Pension Plans (Continued)

Actuarial Valuations:

Actuarial valuations of PSRS and PEERS involve estimates of the reported amount and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The last experience study was conducted in 2011 and the next experience study is scheduled for 2016.

Significant actuarial assumptions and other inputs used to measure total pension liability:

Measurement date	June 30, 2014
Valuation date	June 30, 2014
Expected return on investments	8.00% net of investment expenses and including 2.50% inflation
Inflation	2.50%
Total payroll growth	PSRS: 3.50% per annum, consisting of 2.50% inflation, 0.50% additional inflation due to inclusion of health care costs in pension earnings, and 0.50% for real wage growth. PEERS: 3.75% per annum, consisting of 2.50% inflation, 0.75% additional inflation due to inclusion of health care costs in pension earnings, and 0.50% for real wage growth.
Future salary increases	PSRS: 4.00% - 10.00% depending on service and including 2.50% inflation, 0.50% additional inflation due to the inclusion of health care costs in pension earnings, and real wage growth of 1.00% to 7.00% PEERS: 5.00% - 12.00% depending on service and including 2.50% inflation, 0.75% additional inflation due to the inclusion of health care costs in pension earnings, and real wage growth of 1.75% to 8.75%.
Cost of living increases	2.0% compounded annually, beginning on the second January after retirement and capped at 80% lifetime increase.
Mortality assumptions:	
Actives	RP 2000 Mortality Table set back one year for males and six years for females, then projected 2016 using Scale AA.
Non-disabled retirees, beneficiaries and survivors	RP 2000 Mortality Table set back one year for both males and females, then projected 2016 using Scale AA.
Disabled retirees	RP 2000 Disabled Mortality Table
Changes in actuarial assumptions and methods	There were no changes in actuarial assumptions or methods for the June 30, 2014 valuation.
Fiduciary net position	PSRS and PEERS issues a publicly available financial report that can be obtained at www.psr-peers.org

WEST PLAINS R-VII SCHOOL DISTRICT
Notes to Financial Statements (continued)
June 30, 2015 and 2014

Note 9: Pension Plans (Continued)

Actuarial Valuations (Continued):

Significant actuarial assumptions and other inputs used to measure total pension liability (continued):

Expected Rate of Return The long-term expected rate of return on PSRS' and PEERS' investments was determined using a building block method in which best-estimate ranges of expected future real rates of returns (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PSRS' and PEERS' target allocation as of June 30, 2014 is summarized below along with the long term geometric return. Geometric return (also referred to as the time weighted return) is considered standard within the investment management industry. Geometric returns represent the compounded rate of growth of a portfolio. The method eliminates the effects created by cashflows.

Asset Class	Target Asset Allocation	Long-term expected real return arithmetic basis	Weighted long-term expected real return arithmetic basis
U.S. Public Entity	27.0%	5.85%	1.58%
Public Credit	12.0%	2.44%	0.29%
Hedged asset	6.0%	5.22%	0.31%
Non-U.S. public entity	15.0%	6.64%	1.00%
U.S. treasuries	16.0%	1.01%	0.16%
U.S. tips	4.0%	1.12%	0.04%
Private credit	2.0%	7.61%	0.15%
Private equity	10.5%	8.61%	0.90%
Private real estate	7.5%	4.60%	0.35%
	<u>100.0%</u>		<u>4.78%</u>
		Inflation	2.50%
		Long term arithmetical nominal return	7.28%
		Effect of covariance matrix	0.81%
		Long term expected geometric rate	<u>8.09%</u>

WEST PLAINS R-VII SCHOOL DISTRICT

Notes to Financial Statements (continued)

June 30, 2015 and 2014

Note 9: Pension Plans (Continued)

Actuarial Valuations (Continued):

Significant actuarial assumptions and other inputs used to measure total pension liability (continued):

Discount rate

The discount rate used to measure the total pension liability was 8.00% as of June 30, 2014, and is consistent with the long-term expected geometric rate of return on plan investments. The projection of cash flows used to determine the discount rate assumed that employer contributions would be made at the actuarially calculated rate computed in accordance with assumptions and methods stated in the funding policy adopted by the Board of Trustees, which requires payment of the normal cost and amortization of the unfunded actuarially accrued liability in level percent of employee payroll installments over 30 years utilizing a closed period, layered approach. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Discount rate sensitivity

The sensitivity of the District's net pension liability to changes in the discount rate is presented below. The District's net pension liability calculated using the discount rate of 8.0% is presented as well as the net pension liability using a discount rate that is 1.0% lower (7.0%) or 1.0% higher (9.0%) than the current rate.

PSRS:

Discount Rate	<u>1% Decrease (7.00%)</u>	<u>Current Rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
Proportionate share of the Net Pension liability / (asset)	\$ 23,177,568	10,945,671	685,863

PEERS:

Discount Rate	<u>1% Decrease (7.00%)</u>	<u>Current Rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
Proportionate share of the Net Pension liability / (asset)	\$ 2,354,503	981,201	(178,954)

REQUIRED SUPPLEMENTARY INFORMATION

WEST PLAINS R-VII SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance Final Budget to Actual
Revenues:				
Local	\$ 8,370,787	8,695,556	8,695,556	-
County	200,000	218,980	218,980	-
State	2,217,250	2,138,447	2,138,447	-
Federal	1,740,749	1,414,178	1,414,178	-
Total Revenues	<u>12,528,786</u>	<u>12,467,161</u>	<u>12,467,161</u>	<u>-</u>
Expenditures:				
General instruction	2,275,798	2,496,158	2,496,158	-
Vocational instruction	188,807	118,117	118,117	-
Student activities	637,442	829,085	829,085	-
Attendance and guidance	89,530	107,980	107,980	-
Health services	179,059	159,689	159,689	-
Improvement of instruction	100,900	40,027	40,027	-
Professional development	81,700	51,019	51,019	-
Media services	97,658	96,059	96,059	-
General administration	1,433,188	1,420,886	1,420,886	-
Building level administration	358,104	408,600	408,600	-
Operation of plant	1,828,042	1,793,709	1,793,709	-
Security services	105,600	3,041	3,041	-
Pupil transportation	918,506	946,146	946,146	-
Food services	1,153,299	1,041,664	1,041,664	-
Support services	87,642	87,667	87,667	-
Adult education	289,140	279,220	279,220	-
Community services	99,046	67,133	67,133	-
Total Expenditures	<u>9,923,461</u>	<u>9,946,200</u>	<u>9,946,200</u>	<u>-</u>
Revenues over expenditures	2,605,325	2,520,961	2,520,961	-
Other financing (uses):				
Transfers	(7,121,217)	(3,013,275)	(3,013,275)	-
Fund balances, beginning of year	4,803,080	4,803,080	4,803,080	-
Fund balances, end of year	<u>\$ 287,188</u>	<u>4,310,766</u>	<u>4,310,766</u>	<u>-</u>

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

WEST PLAINS R-VII SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Special Revenue Fund
 Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance Final Budget to Actual
Revenues:				
Local	\$ 685,023	692,699	692,699	-
County	115,000	94,105	94,105	-
State	5,298,639	6,117,622	6,117,622	-
Federal	881,882	1,165,392	1,165,392	-
Tuition from other districts	4,098,968	3,909,648	3,909,648	-
Total Revenues	<u>11,079,512</u>	<u>11,979,466</u>	<u>11,979,466</u>	-
Expenditures:				
General instruction	9,857,417	10,205,160	10,205,160	-
Vocational instruction	1,485,120	895,324	895,324	-
Student activities	318,298	-	-	-
Attendance and guidance	554,032	485,361	485,361	-
Health Services	-	41,519	41,519	-
Improvement of instruction	75,360	124,830	124,830	-
Professional development	68,160	19,558	19,558	-
Media services	167,499	167,506	167,506	-
General administration	449,601	481,432	481,432	-
Building level administration	1,015,805	1,021,306	1,021,306	-
Food service	3,226	-	-	-
Adult education	-	588,720	588,720	-
Community services	107,243	101,441	101,441	-
Total Expenditures	<u>14,101,761</u>	<u>14,132,157</u>	<u>14,132,157</u>	-
Expenditures over revenues	(3,022,249)	(2,152,691)	(2,152,691)	-
Other financing sources:				
Transfers	7,121,217	2,152,691	2,152,691	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ 4,098,968</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

WEST PLAINS R-VII SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Capital Projects Fund
 Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance Final Budget to Actual
Revenues:				
Local	\$ 25,000	513,647	513,647	-
State	927,563	840,468	840,468	-
Federal	29,591	3,800	3,800	-
Other	-	325	325	-
Total Revenues	<u>982,154</u>	<u>1,358,240</u>	<u>1,358,240</u>	<u>-</u>
Expenditures:				
General instruction	20,700	1,995	1,995	-
Vocational instruction	131,490	169,400	169,400	-
Health services	1,500	-	-	-
Media services	3,750	-	-	-
General administration	169,000	153,600	153,600	-
Building level administration	900	-	-	-
Operation of plant	27,500	46,420	46,420	-
Pupil transportation	190,564	163,664	163,664	-
Food services	21,500	9,084	9,084	-
Facilities acquisition and construction	239,500	1,924,879	1,924,879	-
Adult education	-	3,283	3,283	-
Capital lease payments:				
Principal	770,000	149,521	149,521	-
Interest and fees	162,209	7,570	7,570	-
Total Expenditures	<u>1,738,613</u>	<u>2,629,416</u>	<u>2,629,416</u>	<u>-</u>
Expenditures over revenues	(756,459)	(1,271,176)	(1,271,176)	-
Other financing sources:				
Transfers	-	860,584	860,584	-
Fund balances, beginning of year	<u>1,710,592</u>	<u>1,710,592</u>	<u>1,710,592</u>	<u>-</u>
Fund balances, end of year	<u>954,133</u>	<u>1,300,000</u>	<u>1,300,000</u>	<u>-</u>

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

WEST PLAINS R-VII SCHOOL DISTRICT
Schedule of Proportionate Share of the
Net Pension Liability and Related Ratios (PSRS) and Schedule of Employer Contributions
Ten Years Ended June 30, 2015

Year Ended*	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Member Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
6/30/2014 & prior	Not Available	Not Available	Not Available	Not Available	Not Available
6/30/2015	0.2668%	\$ 10,945,671	\$ 11,899,710	91.98%	89.30%

Year Ended	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Member Payroll	Fiduciary Net Contributions as a Percentage of Covered Payroll
6/30/2012 & prior	Not Available	Not Available	Not Available	Not Available	Not Available
6/30/2013	\$ 1,713,130	\$ 1,713,130	\$ -	\$ 11,885,179	14.41%
6/30/2014	1,717,903	1,717,903	-	11,899,710	14.44%
6/30/2015	1,731,155	1,731,155	-	11,255,683	15.38%

Note: These schedules are intended to show information for ten years. Additional years will be displayed as they become available.

* The data provided in the schedule is based as of the measurement date of PSRS' net pension liability, which is as of the beginning of the District's fiscal year.

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

WEST PLAINS R-VII SCHOOL DISTRICT
Schedule of Proportionate Share of the
Net Pension Liability and Related Ratios (PEERS) and Schedule of Employer Contributions
Ten Years Ended June 30, 2015

Year Ended	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Member Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
6/30/2014 & prior	Not Available	Not Available	Not Available	Not Available	Not Available
6/30/2015	0.2687%	\$ 981,201	\$ 3,918,739	25.0%	91.3%

Year Ended	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Member Payroll	Fiduciary Net Contributions as a Percentage of Covered Payroll
6/30/2012 & prior	Not Available	Not Available	Not Available	Not Available	Not Available
6/30/2013	\$ 270,590	\$ 270,590	\$ -	\$ 3,920,983	6.90%
6/30/2014	268,825	268,825	-	3,918,739	6.86%
6/30/2015	255,294	255,294	-	3,583,801	7.12%

Note: These schedules are intended to show information for ten years. Additional years will be displayed as they become available.

* The data provided in the schedule is based as of the measurement date of PEERS' net pension liability, which is as of the beginning of the District's fiscal year.

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

OTHER SUPPLEMENTARY INFORMATION

WEST PLAINS R-VII SCHOOL DISTRICT

Schedules of Revenues Collected by Source-Per Annual Secretary of the Board Report
(ASBR)-Governmental Funds
Years Ended June 30, 2015 and 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	2015 Totals	2014 Totals
Local:					
Property tax	\$ 5,511,541	-	-	5,511,541	5,431,373
Sales tax	1,154,498	692,699	-	1,847,197	1,840,272
Financial institution tax	52,939	-	-	52,939	63,025
Intangible tax	29,540	-	285,593	315,133	302,816
Tuition - post secondary	553,678	-	-	553,678	463,995
Earnings on investments	157,566	-	-	157,566	161,273
Food services	220,672	-	-	220,672	217,442
Student activities	869,336	-	-	869,336	664,227
Community services	48,707	-	-	48,707	24,756
Other	97,079	-	228,054	325,133	71,591
Total Local	8,695,556	692,699	513,647	9,901,902	9,240,770
County:					
Fines and escheats	-	94,105	-	94,105	102,193
State assessed utility taxes	218,980	-	-	218,980	220,176
Total County	218,980	94,105	-	313,085	322,369
State:					
Basic formula	1,754,634	5,263,902	-	7,018,536	6,616,587
Transportation	158,363	-	-	158,363	143,711
Classroom trust fund	-	47,976	673,581	721,557	784,883
Vocational/technical	30,000	491,182	-	521,182	540,238
Educational screening	-	-	-	-	905
Vocational/at risk	10,000	10,000	-	20,000	20,000
Food services	7,203	-	-	7,203	8,341
Voc/tech education enhancement grant	3,008	-	106,087	109,095	61,104
Early childhood special ed.	66,109	275,762	60,800	402,671	281,243
Adult education	-	-	-	-	-
Residential Placement	12,345	-	-	12,345	-
A+ school grant	-	-	-	-	33,440
High need fund	43,868	-	-	43,868	90,066
Preschool project	-	28,800	-	28,800	27,625
Other	52,917	-	-	52,917	6,315
Total State	\$ 2,138,447	6,117,622	840,468	9,096,537	8,614,458

NOTE: The above schedules are reported revenues by source per Annual Secretary of the Board Report (ASBR).

-continued-

WEST PLAINS R-VII SCHOOL DISTRICT

Schedules of Revenues Collected by Source-Per Annual Secretary of the Board Report
(ASBR)-Governmental Funds (continued)
Years Ended June 30, 2015 and 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	2015 Totals	2014 Totals
Federal:					
Categorical Aid:					
State Administered:					
ESEA, Title I	\$ 138,812	556,981	-	695,793	1,030,074
IDEA, Part B	118,631	323,154	-	441,785	432,555
Vocational education act	131,242	86,289	3,800	221,331	134,330
Food services	825,350	-	-	825,350	756,868
Adult education and literacy	-	-	-	-	5,927
IDEA grants	-	-	-	-	6,181
Childcare Development Fund	3,723	-	-	3,723	-
ESEA, Title II, Part A	-	120,717	-	120,717	161,077
Early childhood special ed.	27,406	70,415	-	97,821	93,748
Medicaid	111,256	-	-	111,256	124,162
Vocational rehabilitation	1,832	-	-	1,832	3,095
Title VI-Rural education initiative	18,241	7,836	-	26,077	36,415
Other	37,685	-	-	37,685	67,894
Total Federal	<u>1,414,178</u>	<u>1,165,392</u>	<u>3,800</u>	<u>2,583,370</u>	<u>2,852,326</u>
Received from other districts:					
Tuition	-	3,780,348	-	3,780,348	3,748,174
Contracted educational services	-	26,256	-	26,256	4,250
Area vocational school fees	-	103,044	-	103,044	73,592
Total from other districts	<u>-</u>	<u>3,909,648</u>	<u>-</u>	<u>3,909,648</u>	<u>3,826,016</u>
Other:					
Sale of other property	-	-	325	325	-
Sale of school buses	-	-	-	-	38,304
Total Other	<u>-</u>	<u>-</u>	<u>325</u>	<u>325</u>	<u>38,304</u>
TOTAL REVENUES	<u><u>\$ 12,467,161</u></u>	<u><u>11,979,466</u></u>	<u><u>1,358,240</u></u>	<u><u>25,804,867</u></u>	<u><u>24,894,243</u></u>

NOTE: The above schedules are reported revenues by source per Annual Secretary of the Board Report (ASBR).

WEST PLAINS R-VII SCHOOL DISTRICT
Schedules of Expenditures Paid By Object-
Per Annual Secretary of the Board Report (ASBR)-Governmental Funds
Years Ended June 30, 2015 and 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	2015 Totals	2014 Totals
Salaries	\$ 3,621,997	11,217,487	-	14,839,484	15,076,516
Employee benefits	1,266,890	2,912,211	-	4,179,101	4,061,263
Purchased services	2,480,423	2,459	-	2,482,882	2,361,904
Supplies	2,576,890	-	-	2,576,890	2,390,962
Capital outlay	-	-	2,472,326	2,472,326	1,168,115
Other uses	-	-	157,090	157,090	124,360
Total	<u>\$ 9,946,200</u>	<u>14,132,157</u>	<u>2,629,416</u>	<u>26,707,773</u>	<u>25,183,120</u>

NOTE: The above schedules are reported expenditures by object per Annual Secretary of the Board Report (ASBR).



SCHULTZ, WOOD & RAPP, P.C.

CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS CONSULTANTS
MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON STATE SCHEDULES

November 4, 2015

Board of Education
West Plains R-VII School District
West Plains, Missouri 65775

Dear Members of the Board:

We have audited the basic financial statements of the West Plains R-VII School District, as of and for the year ended June 30, 2015 and have issued our report thereon dated November 4, 2015. Those basic financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on those financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the basic financial statements of the West Plains R-VII School District taken as a whole. The accompanying Schedules of Selected Statistics, Transportation Costs Eligible for State Aid and State Financial Grant Assistance are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information in those schedules has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Schultz, Wood & Rapp, P.C.

WEST PLAINS R-VII SCHOOL DISTRICT

Schedule of Selected Statistics

Year Ended June 30, 2015

County District Number: 040-134

Type of Audit Performed: Yellow Book: _____ Single Audit: X

1. Calendar (Sections 160.041 and 171.031, RSMo)

A. The number of actual calendar hours classes were in session and pupils were under the direction of teachers during this school year was as follows:

Kindergarten - A.M.	_____	Hours	Grades	<u>1 - 8</u>	<u>1,073.50</u>	Hours
Kindergarten - P.M.	_____	Hours	Grades	<u>9 - 12</u>	<u>1,073.50</u>	Hours
Kindergarten - Full-day	<u>1,073.50</u>	Hours	Grades	_____	_____	Hours

B. The number of days classes were in session and pupils were under the the direction of teachers during this school year was as follows:

Kindergarten - A.M.	_____	Days	Grades	<u>1 - 8</u>	<u>156</u>	Days
Kindergarten - P.M.	_____	Days	Grades	<u>9 - 12</u>	<u>156</u>	Days
Kindergarten - Full-day	<u>156</u>	Days	Grades	_____	_____	Days

Notes: _____

2. Average Daily Attendance (ADA)

Regular Term	Full-Time & Part-Time	Remedial	Deseg In	Federal Lands	Total	Deseg Out
Kindergarten - A.M.	_____	_____	_____	_____	_____	_____
Kindergarten - P.M.	_____	_____	_____	_____	_____	_____
Kindergarten - Full-day	<u>180.70</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>180.70</u>	<u>-</u>
Grades <u>1 - 8</u>	<u>1,076.89</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,076.89</u>	<u>-</u>
Grades <u>9 - 12</u>	<u>519.04</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>519.04</u>	<u>-</u>
Grades _____	_____	_____	_____	_____	_____	_____
Grades _____	_____	_____	_____	_____	_____	_____
Subtotal Regular Term	<u>1,776.63</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,776.63</u>	<u>-</u>
		Resident	Deseg In	Federal Lands	Total	
Summer School Subtotal		<u>87.36</u>	<u>-</u>	<u>-</u>	<u>87.36</u>	
Total Regular Term Plus Summer School ADA					<u>1,863.99</u>	<u>-</u>

Notes: Summer School ADA includes Special Education Extended School Year (ESY)
ADA of 2.68

WEST PLAINS R-VII SCHOOL DISTRICT
Schedule of Selected Statistics (continued)
Year Ended June 30, 2015

3. September Membership

	Full-Time & Part- Time	Deseg In	Federal Lands	Total	Deseg Out
September Membership FTE Count	1,772	-	-	1,772	-

Notes: _____

4. Free & Reduced Priced Lunch FTE Count (Section 163.011(6), RSMo)

		Full-Time & Part- Time	Deseg In	Total
State FTE Total				
	Free	1,034	-	1,034
	Reduced	197	-	197
	Total	1,231	-	1,231

Notes: _____

5. Finance

A. As required by Section 162.401, RSMo, a bond was purchased for the District's treasurer in the total amount of:	<u>\$ 50,000</u>
B. The District's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo.	<u>true</u>
C. The District maintained a separate bank account for the Debt Service Fund in accordance with Section 165.011, RSMo.	<u>N/A</u>
D. Salaries reported for educators in the October Core Data cycle are supported by payroll/contract records.	<u>true</u>
E. If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the Board approved a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken.	<u>N/A</u>
F. The District published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	<u>true</u>
G. The district has a professional development committee plan adopted by the Board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment.	<u>true</u>
H. The amount spent for approved professional development committee plan activities was:	<u>\$ 70,577</u>

WEST PLAINS R-VII SCHOOL DISTRICT
 Schedule of Selected Statistics (continued)
 Year Ended June 30, 2015

All above "false" answers must be supported by a finding or management letter comment.

Finding # : _____
 Management Letter Comment # : _____

Notes: _____

6. Transportation (Section 163.161, RSMo)

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| A. The school transportation allowable costs substantially conforms to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid. | <u>true</u> |
| B. The District's school transportation ridership records are so maintained as to accurately disclose in all material respects the average number of regular riders transported. | <u>true</u> |
| C. Based on ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was: | |
| ▪ Eligible ADT | <u>1,204</u> |
| ▪ Ineligible ADT | <u>-</u> |
| D. The District's transportation odometer mileage records are so maintained as to accurately disclose in all material respects the eligible and ineligible mileage for the year. | <u>true</u> |
| E. Actual odometer records show the total district-operated and contracted mileage for the year was: | <u>234,141</u> |
| Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was: | |
| ▪ Eligible Miles | <u>151,330</u> |
| ▪ Ineligible Miles (Non-Route/Disapproved) | <u>82,811</u> |
| F. Number of days the District operated the school transportation system during the regular school year: | <u>156</u> |
| G. All above "false" answers <u>must</u> be supported by a finding or management letter comment. | |

Finding # : _____
 Management Letter Comment # : _____

Notes: _____

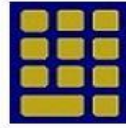
WEST PLAINS R-VII SCHOOL DISTRICT
 Schedule of Transportation Costs Eligible for State Aid
 Year Ended June 30, 2015

	District Owned	Handicapped District Owned	Non-Allowable Transportation Expenditure	Handicapped Contracted	Total
Certified Salaries	\$ 1,775	-	-	-	1,775
Noncertificated salaries	532,923	25,211	-	-	558,134
Employee benefits	159,343	11,152	-	-	170,495
Purchased services	32,045	2,804	-	7,983	42,832
Supplies	161,367	11,543	-	-	172,910
Capital outlay	163,664	-	-	-	163,664
Depreciation	122,786	-	-	-	122,786
Total	<u>\$ 1,173,903</u>	<u>50,710</u>	<u>-</u>	<u>7,983</u>	<u>1,232,596</u>

Nonroute contracted transportation	<u>None</u>
Purchase of new buses	<u>\$ 745,332</u>
Transportation revenues from other districts	<u>None</u>

WEST PLAINS R-VII SCHOOL DISTRICT
 Schedule of State Financial Grant Assistance
 Year Ended June 30, 2015

	<u>Grantor's Number</u>	<u>Balance 6/30/2014</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance 6/30/2015</u>
Department of Elementary & Secondary Education:					
Vocational/Technical Enhancements	2015-046-134	\$ -	129,095	129,095	-
Total State Financial Grant Assistance		<u>\$ -</u>	<u>129,095</u>	<u>129,095</u>	<u>-</u>



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**INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH STATE REQUIREMENTS**

November 4, 2015

Board of Education
West Plains R-VII School District
West Plains, Missouri 65775

Dear Members of the Board:

We have audited the basic financial statements of the West Plains R-VII School District, as of and for the year ended June 30, 2015, and have issued our report thereon dated November 4, 2015. As required by the Revised Statutes of the State of Missouri, we have performed auditing procedures to test compliance with the requirements governing budgets (Chapter 67 RSMo) and the methods of maintaining pupil attendance and pupil transportation records (Chapter 165.121.3(7) RSMo). The management of the District is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the District's budgetary and disbursement procedures were in compliance with the budgetary statute (Chapter 67 RSMo). It is further our opinion that the pupil attendance and pupil transportation records are so maintained as to accurately disclose, in all material respects, the average daily attendance, resident membership on the last Wednesday of September and January, average number of regular riders transported, and mileage and allowable cost for pupil transportation in compliance with state and administrative rules.

This report is intended solely for the information and use of the Board of Education, management, and the Missouri Department of Elementary and Secondary Education and is not intended to be, and should not be, used by anyone other than those specified parties.

Schultz, Wood & Rapp, P.C.



SCHULTZ, WOOD & RAPP, P.C.

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

November 4, 2015

Board of Education
West Plains R-VII School District
West Plains, Missouri 65775

Dear Members of the Board:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of West Plains R-VII School District, which comprise the District's basic financial statements as listed in the table of contents as of and for the year ended June 30, 2015, and the related notes to the financial statements, and have issued our report thereon dated November 4, 2015. The District prepares its financial statements on the accrual basis and modified accrual basis of accounting, which are accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered West Plains R-VII School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of West Plains R-VII School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined below.

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

Compliance and Other Matters

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

Purpose of this Report

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

Schultz, Wood & Rapp, P.C.

WEST PLAINS R-VII SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2015

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weaknes(es) identified?	_____ Yes	_____ <u>x</u> No
Significant deficiency(ies) Identified?	_____ Yes	_____ <u>x</u> No
Control deficiency(ies) identified not considered to be significant deficiencies?	_____ Yes	_____ <u>x</u> None Reported

Noncompliance material to financial statements noted? _____ Yes _____ No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	_____ Yes	_____ <u>x</u> No
Significant deficiency(ies) identified?	_____ Yes	_____ <u>x</u> No
Control deficiency(ies) identified not considered to be significant deficiencies?	<u>x</u> Yes	_____ No

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

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)? _____ Yes _____ No

Identifications of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.027A, 84.173A	Special Education (IDEA) Cluster
10.553,10.555, 10.559	Child Nutrition Cluster
84.010A	Title I Cluster
84.268	Federal Direct Student Loan Program
84.063	Federal Pell Grant Program

Dollar threshold used to distinguish between Type A and Type B programs: \$ _____ 300,000

Auditee qualified as low risk auditee? _____ X Yes _____ No

Section II - Financial Statement Findings

None.

WEST PLAINS R-VII SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs (continued)
 Year Ended June 30, 2015

Section III - Federal Award Findings and Questioned Costs

<u>Agency/Program/CFDA #</u>	<u>Finding/Noncompliance</u>	<u>Questioned Costs</u>
<u>U.S. Department of Agriculture:</u>		
Pass-Through Programs From:		
Missouri Dept. of Elementary and Secondary Education and Missouri Dept. of Health -		
Child Nutrition Cluster; CFDA #'s 10.553/10.555/10.559	None	None
<u>U.S. Department of Education:</u>		
Pass-Through Programs From:		
Missouri Dept. of Elementary and Secondary Education -		
Title I Cluster, CFDA #'s 84.010A	None	None
Special Education (IDEA) Cluster, CFDA #'s 84.027A/84.173A	None	None
Direct Grants:		
Federal Direct Student Loan Program CFDA # 84.268	Yes/Finding 15-1	None
Federal Pell Grant Program CFDA # 84.063	Yes/Finding 15-1	None

Finding 15-1: Internal Control Deficiency - Data lost from ED Express program

Condition: The conversion of data from one computer system to another computer system was not adequately controlled.

Criteria: When converting data files from one device to another, care must be taken to ensure that data integrity is maintained.

Cause: The data in the ED Express program was not double-checked after the transfer to the new computer system.

Effect: Several loans were missing from the ED Express program and reports had to be manually reconciled in order to agree with loan records. Additionally, the new computer data files required maintenance to restore lost data.

Recommendation: When doing upgrades of hardware for systems that hold sensitive information, procedures should be in place, and followed, including management oversight, to ensure that all data sets are correctly transitioned to ensure data integrity.

WEST PLAINS R-VII SCHOOL DISTRICT

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2015

Finding: 14-1: Undercollateralization of Cash Balances Held at Bank

The District notified the bank and additional collateral was pledged to cover the District's cash balances subsequent to June 30, 2014. The District has implemented a monthly control to review amounts pledged as collateral with its cash balances held at such banks. As of June 30, 2015, the cash balances held at the bank were properly collateralized.

Corrective Action Plan
Year Ended June 30, 2015

Finding 15-1: Internal Control Deficiency - Data lost from ED Express program

The District will put in place safeguards and procedures to ensure that data integrity is ensured during any change in hardware and software systems.



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

November 4, 2015

Board of Education
West Plains R-VII School District
West Plains, Missouri 65775

Dear Members of the Board:

Report on Compliance for Each Major Federal Program

We have audited West Plains R-VII School District's compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control over Compliance

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

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

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

We did identify an issue regarding data integrity, Finding 15-1, which we considered to be an internal control deficiency.

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

Schultz, Wood & Rapp, P.C.

WEST PLAINS R-VII SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures
<u>U.S. Department of Agriculture:</u>			
Pass-Through Programs From:			
Missouri Dept. of Elementary & Secondary Education -			
School Breakfast Program	10.553	2015-046-134	\$ 265,258
National School Lunch Program	10.555	2015-046-134	517,949
National School Lunch Program, Non-Cash	10.555	2015-046-134	48,201
Missouri Dept. of Health and Senior Services -			
Summer Food	10.559	ERS0462211S	<u>42,144</u>
Total Nutrition Cluster and Total U.S. Department of Agriculture			<u>873,552</u>
<u>U.S. Department of Education:</u>			
Pass-Through Programs From:			
Missouri Dept. of Elementary & Secondary Education -			
Title I, Grants to local educational agencies	84.010A	2015-046-134-L	<u>695,793</u>
IDEA, Individuals with disabilities	84.027A	2015-046-134ENO1	441,785
ECSE - Special education grants	84.027A	2015-046-134ENO1	68,793
ECSE - Special education grants	84.173A	2015-046-134ENO1	<u>29,029</u>
Total Special Education Cluster (IDEA)			<u>539,607</u>
Perkins Basic Grant	84.048A	2015-046-134	<u>216,826</u>
Vocational rehabilitation grants to states	84.126A	2015-046-134	<u>1,832</u>
Eisenhower professional			
Development state grants - ESEA Title II A	84.367A	2015-046-134	<u>120,717</u>
Rural education initiative, Title VI B	84.358B	2015-046-134	<u>26,077</u>
Direct Grants:			
Federal Pell grant program	84.063	N/A	387,203
Federal Direct Student Loan	84.268	N/A	<u>338,270</u>
Subtotal Student Financial Assistance Programs			<u>725,473</u>
Total US Department of Education			<u>\$ 2,365,349</u>

WEST PLAINS R-VII SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2015

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures
<u>U.S. Department of Health & Senior Services</u>			
Pass-Through Programs From:			
Missouri Dept. of Elementary & Secondary Education -			
School Age Community	93.575	2015-046-134	\$ 39,024
<u>U.S. Department of Labor:</u>			
Pass-Through Programs From:			
Missouri Division of Employment Security			
Trade adjustment assistance	17.245	2015-046-134	36,285
Total U.S. Department of Labor			36,285
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 3,314,210

Notes to the Schedule of Expenditures of Federal Awards:

1. This schedule is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.
2. The District uses the cash basis of accounting and does not account for non-cash inventories.
3. No federal awards received by the District were provided to any sub-recipient during the fiscal year.



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**INDEPENDENT AUDITOR'S COMMUNICATION
WITH THOSE CHARGED WITH GOVERNANCE**

November 4, 2015

Board of Education
West Plains R-VII School District
West Plains, Missouri 65775

Dear Members of the Board:

We have audited the financial statements of the West Plains R-VII School District for the year ended June 30, 2015, and have issued our report thereon dated November 4, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to the District dated June 1, 2015. Professional standards also require that we provide you with the following information related to our audit.

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated June 1, 2015, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with the District's accrual basis and modified accrual basis of accounting as described in Note 1 to the financial statements. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the West Plains R-VII School District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the West Plains R-VII School District are described in Note 1 to the financial statements. During 2015, the District adopted the provisions of GASB Statement 68, as amended by GASB Statement 71 relating to accounting for participation in defined benefit pension plans. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates, if any, are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates, including depreciation expense, are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of capital lease obligations, in Note 6 to the financial statements. Financial statement users need to be aware of debt obligations in future periods as this is not reflected in the Balance Sheets-Governmental Funds, since such statement is presented in accordance with the modified accrual basis of accounting.

The disclosure of the District's defined benefit pension plans, in Note 9 to the financial statements. Financial statement users need to be aware of unfunded pension obligations due to cost-sharing multiple employer retirement plans as of June 30, 2015, as this is not reflected in the Balance Sheets-Governmental Funds, since such statements are presented in accordance with the modified accrual basis of accounting.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No significant known or likely misstatements were identified during the audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 4, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

This information is intended solely for the use of the Board of Education and management of the West Plains R-VII School District and is not intended to be and should not be used by anyone other than those specified parties.

Schultz, Wood & Rapp, P.C.

WEST PLAINS R-7 SCHOOL DISTRICT

Summary of Selected Information

Ten Years Ended June 30, 2015

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<u>GOVERNMENTAL FUNDS</u>										
Total Assets	\$ 6,696,574	7,980,366	8,163,334	9,285,326	8,102,881	7,166,320	7,125,708	7,726,958	9,419,207	10,323,648
Total Fund Equity	\$ 5,610,766	6,513,672	7,478,571	8,103,946	7,619,608	6,771,292	6,501,836	7,227,968	8,690,476	9,527,948
Percentage of Equity to Total Assets	83.8%	81.6%	91.6%	90.5%	94.0%	94.5%	91.2%	93.5%	92.2%	92.3%
Total Revenues	\$ 25,804,867	\$ 24,894,243	26,102,303	25,574,570	30,655,979	25,851,243	23,527,700	23,343,159	24,413,795	21,636,509
Less Total Expenditures	26,707,773	25,737,111	26,727,678	25,090,232	29,872,208	25,581,787	24,253,832	24,805,667	25,251,267	24,288,494
Revenues over (under) Expenditures	\$ (902,906)	(842,868)	(625,375)	484,338	783,771	269,456	(726,132)	(1,462,508)	(837,472)	(2,651,985)
<u>OTHER SELECTED DATA</u>										
Long-Term Debt Outstanding as of June 30	\$ 7,021,668	6,385,000	7,150,000	4,935,000	5,435,000	4,870,000	5,815,000	6,255,000	6,685,000	7,125,000
Calendar Hours	1,073.50	949.00	1,090.75	1,104.25	1,084.80	1,095.15	1,067.80	1,054.20	1,078.11	1,071.45
Eligible Pupils / ADA	1,863.99	1,862.70	1,897.46	1,897.46	1,888.11	1,895.10	1,872.59	1,892.48	1,902.69	1,889.38
September Resident Membership	1,772	1,866	1,985	1,985	1,967	1,957	1,967	1,939	1,954	1,911
Operating Fund Balances/Expenditures Ratio	17.9%	20.1%	21.9%	21.6%	25.0%	23.8%	16.7%	22.4%	32.7%	34.6%