

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**Audited Financial Statements
For the Year Ended June 30, 2013**



KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**Audited Financial Statements
For the Year Ended June 30, 2013**



INTRODUCTORY SECTION



KENDRICK JOINT SCHOOL DISTRICT NO. 283

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Kendrick Joint School District No. 283
Kendrick, Idaho

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kendrick Joint School District No. 283, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Qualified Opinion

Kendrick Joint School District No. 283 believes the cost of adopting GASB 45 cannot be justified at the present time. The District believes the future cost of the implicit rate subsidy built into the current health care premiums is not material to the financial statements. The amount by which this GAAP departure would affect the liabilities and net position of the Statement of Net Position is not determinable.

Qualified Opinion

In our opinion, except for the effects of the matters described in the “Basis for Qualified Opinion” paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Kendrick Joint School District No. 283, as of June 30, 2013, and the changes in financial position and the respective budgetary comparison for the General Fund, Capital Projects Funds and Debt Service Fund thereof and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6-10 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 Kendrick Joint School District No. 283's basic financial statements. The introductory section and the combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2013 on our consideration of the Kendrick Joint School District No. 283's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Kendrick Joint School District No. 283's internal control over financial reporting and compliance.

Hayden Ross, PLLC

Moscow, Idaho
October 31, 2013

**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***

To the Board of Trustees
Kendrick Joint School District No. 283
Kendrick, Idaho

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 governmental activities, each major fund, and the aggregate remaining fund information of Kendrick Joint School District No. 283, as of and for the year ended June 30, 2013 and the related notes to the financial statements, which collectively comprise Kendrick Joint School District No. 283's basic financial statements, and have issued our report thereon dated October 31, 2013.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered Kendrick Joint School District No. 283'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Kendrick Joint School District No. 283's internal control. Accordingly, we do not express an opinion on the effectiveness of the Kendrick Joint School District No. 283's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during

our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether Kendrick Joint School District No. 283's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

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

Hayden Ross, PLLC

Moscow, Idaho
October 31, 2013

Kendrick Joint School District No. 283
Management's Discussion and Analysis
For the Year Ended June 30, 2013

The discussion and analysis of the Kendrick Joint School District No. 283's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2013.

Financial Highlights

- 2012-2013 was the second year of a two year Supplemental Over-ride levy. The patrons authorized a tax amount of \$790,000 for both 2011/2012 and 2012/2013.
- The Net Market Value of Kendrick School District increased by \$3.6M from 2011-12. The slight increase in the market value was not enough to lower the levy rate, which increased slightly by \$.16 at a rate of 8.64 per thousand.
- The 2012-13 general fund balance is \$512,362, which is up 34.14% from the ending balance in fiscal year 2012 of \$381,957. This increase is favorable for the general fund, as it allows for two months of expenditures in the current year balance.
- The teachers negotiated for a 2.5% salary increase as well as full placement on the salary schedule for experience and education.
- During 2012-13 fiscal year, the district installed two HVAC heating and air units, in the computer Lab and science room at Kendrick High School. Kendrick High School also benefitted from updated wiring in its infrastructure. Ednetics added new wiring and switches to the existing which prepared the district to add a wireless system in the future. The Elementary school playground and parking lot received a new seal/coat. All of these projects were funded from the Plant Facility Levy.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The statements present an aggregate view of the District's finances. They contain useful long-term information for the just completed fiscal year.

The *statement of net position* presents information on all of the assets and liabilities of the District, with the difference between the two reported as *net position*. Over time, increases or

decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

In the government-wide financial statements, the District's activities are all classified as government activities. Governmental activities include all regular and special education, all educational support activities, administration, custodial, maintenance, transportation and food service. Most of these activities are supported by property taxes and formula aid from the State of Idaho.

Fund Financial Statements. Funds are accounting devices the District uses to track sources of funding and spending for specific programs and to demonstrate compliance with various regulatory requirements. Fund Financial statements generally report operation in more detail than the government-wide statements. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on those which are considered most significant.

Governmental Funds. Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported on the "modified accrual" basis of accounting which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides.

Internal Service Fund. This fund records transactions for the medical risk pool. It uses the same basis of accounting as business-type activities, and is consolidated with the governmental activities in the statements for the District as a whole.

Fiduciary Funds. The District serves as trustee, or fiduciary, for student organizations. The assets of these organizations belong to the organization, and not the District. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and only by those to whom the assets belong. These activities are excluded from the District-wide financial statements because the District cannot use these assets to finance its operation.

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve as a useful indicator of a district's financial position. In the case of the District, assets exceeded liabilities by \$3,653,180.

Statement of Net Position June 30, 2013

ASSETS	<u>2012-2013</u>	<u>2011-2012</u>	<u>Change</u>
Current and Other Assets	1,450,334	1,267,411	182,923
Capital Assets	<u>4,646,376</u>	<u>4,765,130</u>	<u>(118,754)</u>
Total Assets	<u>6,096,710</u>	<u>6,032,541</u>	<u>64,169</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES			
Long-Term Liabilities Outstanding	1,970,000	2,040,000	(70,000)
Other Liabilities	<u>383,920</u>	<u>339,361</u>	<u>44,559</u>
Total Liabilities	<u>2,353,920</u>	<u>2,379,361</u>	<u>(25,441)</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Net investment in capital assets	2,580,851	2,633,630	(52,779)
Restricted	604,904	592,176	12,728
Unreserved	<u>557,035</u>	<u>427,374</u>	<u>129,661</u>
Total Net Position	<u>\$ 3,742,790</u>	<u>\$ 3,653,180</u>	<u>\$ 89,610</u>

The largest portions of the District's net position (68.96%) reflect investments in capital assets (i.e. land, building, and improvements, furniture, and equipment) net of related debt (general obligation bonds) used to acquire those assets still outstanding. These capital assets provide services to students; consequently, these assets are not available for future spending.

An additional portion of the District's net position (16.16%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unreserved net position (14.88%) may be used to meet the District's ongoing obligations to students, employee, and creditors.

The unreserved net position amount has been earmarked for the following purposes: To meet cash flow needs throughout the year and to provide a General Fund contingency.

Changes in Net Position - The table below shows the changes in net position for the fiscal year 2012/2013. The District had total revenues of \$3,418,313 and total expenses of \$3,328,703 that generated an increase in net position of \$89,610.

**Changes in Net Position
For Fiscal Year Ending June 30, 2013**

REVENUES	<u>2012-2013</u>	<u>2011-2012</u>	<u>Change</u>
Program Revenues:			
Charges for services	50,291	59,025	(8,734)
Operating grants and contributions	535,610	538,205	(2,595)
General Revenues			
Property Taxes	1,073,725	1,034,650	39,075
Federal and State revenues	1,725,162	1,459,584	265,578
Local Revenues	<u>33,525</u>	<u>19,710</u>	<u>13,815</u>
Total Revenues	<u>3,418,313</u>	<u>3,111,174</u>	<u>307,139</u>
EXPENSES			
Program Expenses:			
Instruction	1,487,988	1,358,676	129,312
Support Services	1,410,607	1,305,285	105,322
Child nutrition	150,402	144,678	5,724
Capital Outlay	24,091	21,896	2,195
Debt Service	89,700	92,275	(2,575)
Depreciation, unallocated	<u>165,915</u>	<u>163,263</u>	<u>2,652</u>
Total Expenses	<u>3,328,703</u>	<u>3,086,073</u>	<u>242,630</u>
Change in Net Position	<u>\$ 89,610</u>	<u>\$ 25,101</u>	<u>\$ 64,509</u>

DISTRICT'S FUNDS FINANCIAL ANALYSIS

General Fund - The general fund is the maintenance and operation fund and the most significant budgeted fund. At the end of the current fiscal year, the general fund balance is \$512,362, which is up 34.14% from the ending balance in fiscal year 2012 of \$381,957. The reason for the increase was an increase in grant revenues and the District decreasing its expenditures slightly. A minimum fund balance of one month's expenses and preferably two months is recommended by our auditor. The District has a fund balance of over two months at the end of fiscal year 2013. Revenues in the general fund totaled \$2,735,109, an 13.63% increase from the prior year. Expenditures in the general fund totaled \$2,573,505, an 8.82% increase from the prior year.

Internal Service Fund - The District has an internal service fund which accounts for the activities of the Self-Insured Employee Medical Pool. To mitigate the effects of increasing health insurance premiums and position the District for partially self-insuring medical deductibles in the future, the Board contributed \$30,000 of the 2001 "Gainsharing" distribution into this fund. This fund has net assets totaling \$233,051 at June 30, 2013.

Capital Assets - The Plant Facility Fund is used for capital construction, building and site improvement, remodeling, and equipment; to purchase school buses; for lease and lease purchase agreements for any of the above purposes. A levy in the amount of \$50,000 was approved by the voters in 2009 and continues for ten years. At the end of the current fiscal year, the balance in the Plant Facility Fund is \$78,962. This is a decrease from the prior balance of \$93,462.

**Capital Assets
Governmental Activities
Net of Accumulated Depreciation
June 30, 2013**

	<u>2012-2013</u>	<u>2011-2012</u>	<u>Change</u>
Sites	351,391	361,657	(10,266)
Buildings	4,114,591	4,206,228	(91,637)
Equipment	45,873	31,334	14,539
Transportation	<u>134,521</u>	<u>165,911</u>	<u>(31,390)</u>
Net Capital Assets	<u>\$ 4,646,376</u>	<u>\$ 4,765,130</u>	<u>(118,754)</u>

Long-term debt –

General Obligation Bonds - The debt service fund has a total fund balance of \$161,584 all of which is restricted for the payment of debt service on a general obligation bond. The debt of the District is secured by an annual debt service tax levy authorized by the patrons of the District in 2009.

At year end the District had \$2,035,000 outstanding.

Contacting the District’s financial management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District’s finances. Any questions or requests for additional information should be directed to the District’s Business Manager, Mellissa Eichner at the District’s Administrative Office, P.O. Box 283, Kendrick, ID 83537, by phone at (208) 289-4211, or by email at sd283@tds.net.

FINANCIAL STATEMENTS



KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

STATEMENT OF NET POSITION

June 30, 2013

ASSETS

Current Assets

Cash	216,695	
Investments	652,129	
Taxes receivable	72,323	
Other receivables:		
Due from other governmental units	504,197	
Other receivables	4,268	
Prepaid expenses	<u>722</u>	
Total current assets		1,450,334

Noncurrent Assets

Non-depreciated capital assets	296,770	
Depreciated capital assets	6,865,207	
Less: Accumulated Depreciation	<u>(2,515,601)</u>	
Total noncurrent assets		<u>4,646,376</u>

Total Assets

6,096,710

DEFERRED OUTFLOWS OF RESOURCES

-

LIABILITIES

Current Liabilities

Accounts payable and other current liabilities	318,920	
Current portion of long-term debt	<u>65,000</u>	
Total current liabilities		383,920

Noncurrent Liabilities

Noncurrent portion of long-term debt	<u>1,970,000</u>	
Total noncurrent liabilities		<u>1,970,000</u>

Total Liabilities

2,353,920

DEFERRED INFLOWS OF RESOURCES

-

Net Position

Net investment in capital assets	2,580,851	
Restricted for:		
Debt service	171,941	
Capital projects	142,452	
Grant programs	57,460	
Medical benefits	233,051	
Unrestricted	<u>557,035</u>	
Total net position		<u>\$ 3,742,790</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2013**

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Revenue and Changes in Net Position</u>
FUNCTIONS/PROGRAMS					Governmental Activities
Governmental activities:					
Preschool - 12 Instruction	1,487,988	2,185	160,971	-	(1,324,832)
Support Services					
Pupil support	322,425	-	174,581	-	(147,844)
Staff support	82,779	-	-	-	(82,779)
General Administration	114,265	-	-	-	(114,265)
School Administration	288,868	-	-	-	(288,868)
Business Services	111,015	-	-	-	(111,015)
Mainenance/Custodial	294,401	-	-	-	(294,401)
Transportation	194,502	-	127,509	-	(66,993)
Other	2,352	-	-	-	(2,352)
Child Nutrition	150,402	48,106	72,549	-	(29,747)
Capital Outlay	24,091	-	-	-	(24,091)
Debt Services	89,700	-	-	-	(89,700)
Depreciation, unallocated	165,915	-	-	-	(165,915)
Total School District	<u>\$ 3,328,703</u>	<u>\$ 50,291</u>	<u>\$ 535,610</u>	<u>\$ -</u>	<u>\$ (2,742,802)</u>

General Revenues

Taxes	
Property taxes levied for general purposes	854,023
Property taxes levied for debt service	177,932
Property taxes levied for capital projects	41,770
Federal and State aid not restricted to specific purposes	1,725,162
Other	31,922
Interest and investment earnings	<u>1,603</u>
Total General Revenues	<u>2,832,412</u>
Change in Net Position	89,610
Net position - beginning	<u>3,653,180</u>
Net position - ending	<u>\$ 3,742,790</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2013**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash	86,983	127,919	97,725	67,887	380,514
Investments	307,846	-	35,602	-	343,448
Taxes receivable	55,841	12,947	3,535	-	72,323
Other receivables:					
Due from other governmental units	343,989	31,075	5,590	123,543	504,197
Other receivables	4,268	-	-	-	4,268
Prepaid expenses	722	-	-	-	722
Total assets	<u>\$ 799,649</u>	<u>\$ 171,941</u>	<u>\$ 142,452</u>	<u>\$ 191,430</u>	<u>\$ 1,305,472</u>
LIABILITIES					
Bank overdrafts	-	-	-	88,189	88,189
Accounts payable	86	-	-	-	86
Accrued payroll and benefits	242,528	-	-	45,781	288,309
Deferred revenue	44,673	10,357	2,828	807	58,665
Total liabilities	<u>287,287</u>	<u>10,357</u>	<u>2,828</u>	<u>134,777</u>	<u>435,249</u>
FUND BALANCES					
Nonspendable					
Prepaid expenses	722	-	-	-	722
Restricted	-	161,584	139,624	56,653	357,861
Unassigned	511,640	-	-	-	511,640
Total fund balances	<u>512,362</u>	<u>161,584</u>	<u>139,624</u>	<u>56,653</u>	<u>870,223</u>
Total liabilities and fund balances	<u>\$ 799,649</u>	<u>\$ 171,941</u>	<u>\$ 142,452</u>	<u>\$ 191,430</u>	<u>\$ 1,305,472</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL
ACTIVITIES**

For the Year Ended June 30, 2013

Total Fund Balances - Governmental Funds 870,223

Amounts reported for governmental activities in the statement of net
position are different because:

Capital assets used in governmental activities are not financial
resources and therefore are not reported as assets in governmental funds.

Cost of capital assets	7,161,977
Accumulated depreciation	(2,515,601)

Property taxes receivable will be collected this year, but are not available
soon enough to pay for the current period's expenditures, and therefore
are deferred in the funds. 58,665

Internal service funds are used by the District to charge the cost of medical
benefits to the individual funds. The assets and liabilities of the internal service
funds are included in governmental activities. 233,051

Interest is accrued on outstanding debt in the government-wide financial statements,
whereas in the governmental fund financial statements, an interest expenditure is
reported when paid. (30,525)

Long-term liabilities are not due and payable in the current period and
therefore are not reported as liabilities in the funds. Long-term liabilities
at year-end consist of the following:

General obligation bonds	<u>(2,035,000)</u>
--------------------------	--------------------

Total Net Position - Governmental Funds \$ 3,742,790

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2013**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Local	888,576	176,679	42,011	50,291	1,157,557
State	1,817,537	6,138	-	25,929	1,849,604
Federal	28,996	-	-	382,172	411,168
Total revenues	<u>2,735,109</u>	<u>182,817</u>	<u>42,011</u>	<u>458,392</u>	<u>3,418,329</u>
EXPENDITURES					
Current:					
Instruction	1,319,994	-	-	169,661	1,489,655
Support	1,249,335	-	-	174,581	1,423,916
Non-instruction	4,176	-	-	146,941	151,117
Capital objects	-	-	56,511	-	56,511
Debt service	-	155,675	-	-	155,675
Total expenditures	<u>2,573,505</u>	<u>155,675</u>	<u>56,511</u>	<u>491,183</u>	<u>3,276,874</u>
Excess (deficiency) of revenue over expenditures	<u>161,604</u>	<u>27,142</u>	<u>(14,500)</u>	<u>(32,791)</u>	<u>141,455</u>
Other financing sources (uses):					
Operating transfer in	38,000	-	20,913	26,286	85,199
Operating transfer out	(69,199)	-	-	-	(69,199)
Total other financing sources (uses)	<u>(31,199)</u>	<u>-</u>	<u>20,913</u>	<u>26,286</u>	<u>16,000</u>
Net change in fund balance	130,405	27,142	6,413	(6,505)	157,455
Fund balance-Beginning of year	<u>381,957</u>	<u>134,442</u>	<u>133,211</u>	<u>63,158</u>	<u>712,768</u>
Fund balance-End of year	<u>\$ 512,362</u>	<u>\$ 161,584</u>	<u>\$ 139,624</u>	<u>\$ 56,653</u>	<u>\$ 870,223</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

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

For the Year Ended June 30, 2013

Net change in fund balances - total governmental funds		157,455
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities.		
Capital outlays	47,161	
Depreciation expense	<u>(165,915)</u>	(118,754)
Some property taxes will not be collected for several months after the District's fiscal year ends and they are not considered as "available" revenues in the governmental funds. Instead they are counted as deferred tax revenues. They are, however, recorded as revenues in the statement of activities.		
		(611)
In the statement of activities, operating expenses are incurred when an exchange transaction takes place. However, in the government funds the expense did not meet the criteria.		
		950
Repayment of the principal on general bonded indebtedness is an expenditure in the governmental funds, but they reduce long-term liabilities in the statement of net assets and does not affect the statement of activities.		
		65,000
Interest is accrued on outstanding debt in the government-wide financial statements whereas in the governmental fund financial statements, an interest expenditure is reported when paid.		
		975
Internal service funds are used by the District to charge the cost of medical benefits to the individual funds. The net loss of the internal service fund is reported with governmental activities.		
		<u>(15,405)</u>
Total change in net position of governmental activities		<u>\$ 89,610</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES INFUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2013

	Original Budget	Amended Budget	Actual	Variances	
				Favorable (Unfavorable) Original to Actual	Amended to Actual
REVENUES					
Local:					
Taxes	794,783	794,783	855,717	60,934	60,934
Earnings on investments	800	800	937	137	137
Other	3,600	3,600	31,922	28,322	28,322
Total local	<u>799,183</u>	<u>799,183</u>	<u>888,576</u>	<u>89,393</u>	<u>89,393</u>
State:					
Base program	1,227,489	1,227,489	1,390,180	162,691	162,691
Transportation	117,821	117,821	127,509	9,688	9,688
Exceptional child support	12,956	12,956	25,964	13,008	13,008
Payroll benefits	164,560	164,560	162,773	(1,787)	(1,787)
Revenue in lieu of taxes	31,000	31,000	21,284	(9,716)	(9,716)
Other state support	21,284	21,284	89,827	68,543	68,543
Total state	<u>1,575,110</u>	<u>1,575,110</u>	<u>1,817,537</u>	<u>242,427</u>	<u>242,427</u>
Federal:					
Unrestricted	-	-	980	980	980
Restricted	30,000	30,000	28,016	(1,984)	(1,984)
Total federal	<u>30,000</u>	<u>30,000</u>	<u>28,996</u>	<u>(1,004)</u>	<u>(1,004)</u>
Total revenues	<u>2,404,293</u>	<u>2,404,293</u>	<u>2,735,109</u>	<u>330,816</u>	<u>330,816</u>
EXPENDITURES					
Current:					
Instruction:					
Salaries	935,246	935,246	887,529	47,717	47,717
Benefits	378,298	378,298	357,002	21,296	21,296
Purchased services	48,758	48,758	29,771	18,987	18,987
Supply-materials	26,700	26,700	45,512	(18,812)	(18,812)
	-	-	180	(180)	(180)
Total instruction	<u>1,389,002</u>	<u>1,389,002</u>	<u>1,319,994</u>	<u>69,008</u>	<u>69,008</u>
Support:					
Salaries	605,781	605,781	611,738	(5,957)	(5,957)
Benefits	317,115	317,115	246,217	70,898	70,898
Purchased services	217,418	217,418	231,945	(14,527)	(14,527)
Supply-materials	125,080	125,080	134,910	(9,830)	(9,830)
Capital objects	-	-	1,805	(1,805)	(1,805)
Insurance	22,720	22,720	22,720	-	-
Total support	<u>1,288,114</u>	<u>1,288,114</u>	<u>1,249,335</u>	<u>38,779</u>	<u>38,779</u>
Non-instruction:					
Benefits	4,000	4,000	3,461	539	539
Supply-materials	-	-	715	(715)	(715)
Total non-instruction	<u>4,000</u>	<u>4,000</u>	<u>4,176</u>	<u>(176)</u>	<u>(176)</u>
Total expenditures	<u>2,681,116</u>	<u>2,681,116</u>	<u>2,573,505</u>	<u>107,611</u>	<u>107,611</u>
Excess (deficiency) of revenues other expenditures	<u>(276,823)</u>	<u>(276,823)</u>	<u>161,604</u>	<u>438,427</u>	<u>438,427</u>
Other financing sources (uses):					
Operating transfer in:					
Internal service fund	38,000	38,000	38,000	-	-
Operating transfer out:					
Food service fund	(12,444)	(12,444)	(20,913)	(8,469)	(8,469)
Bus depreciation	(15,642)	(15,642)	(26,286)	(10,644)	(10,644)
Internal service fund	(13,091)	(13,091)	(22,000)	(8,909)	(8,909)
Total other financing sources (uses)	<u>(3,177)</u>	<u>(3,177)</u>	<u>(31,199)</u>	<u>(28,022)</u>	<u>(28,022)</u>
Net change in fund balance	<u>\$ (280,000)</u>	<u>\$ (280,000)</u>	<u>130,405</u>	<u>\$ 410,405</u>	<u>\$ 410,405</u>
Fund balance-Beginning of year			<u>381,957</u>		
Fund balance-End of year			<u>\$ 512,362</u>		

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2013**

	Original Budget	Amended Budget	Actual	Variances	
				Favorable (Unfavorable) Original to Actual	Amended to Actual
REVENUES					
Local:					
Taxes	204,261	204,261	176,679	(27,582)	(27,582)
State:					
Other	5,000	5,000	6,138	1,138	1,138
Total revenues	<u>209,261</u>	<u>209,261</u>	<u>182,817</u>	<u>(26,444)</u>	<u>(26,444)</u>
EXPENDITURES					
Debt service					
Interest	178,750	178,750	90,675	88,075	88,075
Principal	130,000	130,000	65,000	65,000	65,000
Total debt service	<u>308,750</u>	<u>308,750</u>	<u>155,675</u>	<u>153,075</u>	<u>153,075</u>
Total expenditures	<u>308,750</u>	<u>308,750</u>	<u>155,675</u>	<u>153,075</u>	<u>153,075</u>
Net change in fund balance	<u>\$ (99,489)</u>	<u>\$ (99,489)</u>	27,142	<u>\$ 126,631</u>	<u>\$ 126,631</u>
Fund balance-Beginning of year			<u>134,442</u>		
Fund balance-End of year			<u>\$ 161,584</u>		

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**CAPITAL PROJECTS FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2013**

	Original Budget	Amended Budget	Actual	Variances Favorable (Unfavorable)	
				Original to Actual	Amended to Actual
REVENUES					
Local:					
Taxes	50,000	50,000	41,940	(8,060)	(8,060)
Earnings on investments	-	-	71	71	71
Total local	<u>50,000</u>	<u>50,000</u>	<u>42,011</u>	<u>(7,989)</u>	<u>(7,989)</u>
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>42,011</u>	<u>(7,989)</u>	<u>(7,989)</u>
 EXPENDITURES					
Purchased services	68,293	68,293	-	68,293	68,293
Supplies-material	68,294	68,294	-	68,294	68,294
Capital objects	<u>71,493</u>	<u>71,493</u>	<u>56,511</u>	<u>14,982</u>	<u>14,982</u>
Total expenditures	<u>208,080</u>	<u>208,080</u>	<u>56,511</u>	<u>151,569</u>	<u>151,569</u>
Excess (deficiency) of revenues over/under expenditures	<u>(158,080)</u>	<u>(158,080)</u>	<u>(14,500)</u>	<u>143,580</u>	<u>143,580</u>
Other financing sources (uses):					
Transfer in	<u>25,177</u>	<u>25,177</u>	<u>20,913</u>	<u>(4,264)</u>	<u>(4,264)</u>
Total other financing sources (uses)	<u>25,177</u>	<u>25,177</u>	<u>20,913</u>	<u>(4,264)</u>	<u>(4,264)</u>
Net change in fund balance	<u>\$ (132,903)</u>	<u>\$ (132,903)</u>	6,413	<u>\$ 139,316</u>	<u>\$ 139,316</u>
Fund balance-Beginning of year			<u>133,211</u>		
Fund balance-End of year			<u>\$ 139,624</u>		

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

ALL PROPRIETARY FUNDS
STATEMENT OF NET POSITION
June 30, 2013

ASSETS

Current Assets:

Investments 308,681

Total assets \$ 308,681

LIABILITIES AND NET POSITION

Liabilities:

Bank overdraft 75,630

Total liabilities 75,630

Net Position:

Restricted for medical payments 233,051

Total liabilities and net position \$ 308,681

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

ALL PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended June 30, 2013

REVENUE		
Earnings on investments	595	
Total revenues	<u>595</u>	<u>595</u>
Other financing sources:		
Operating transfer in	22,000	
Operating transfer out	<u>(38,000)</u>	
Total other financing sources		<u>(16,000)</u>
Change in net position		(15,405)
Total net position - beginning		<u>248,456</u>
Total net position - ending		<u><u>\$ 233,051</u></u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

ALL PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2013

Cash Flows From Noncapital Financing Activities

Cash paid to other funds	<u>(16,000)</u>	
Net cash used in noncapital financing activities		(16,000)

Cash Flows From Investing Activities

Purchase of investments	(21,743)	
Earnings on investments	<u>595</u>	
Net cash used in investing activities		<u>(21,148)</u>

Net decrease in cash (37,148)

Cash (deficit) - beginning of year (38,482)

Cash (deficit) - end of year \$ (75,630)

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
June 30, 2013

ASSETS

Current Assets

Cash

45,323

Total assets

\$ 45,323

LIABILITIES

Current Liabilities

Due to student groups

45,323

Total liabilities

\$ 45,323

Kendrick Joint School District No. 283
Notes to the Financial Statements
June 30, 2013

NOTE 1 Summary of Significant Accounting Policies

The financial statements of the Kendrick Joint School District No. 283 have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below:

Reporting Entity - The Kendrick Joint School District No. 283 is the basic level of government, which has financial accountability, and control over all activities related to the public school education within the District. The Board receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities. However, the Board is not included in any other governmental "reporting entity" as defined by GASB pronouncements, since Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and have primary financial accountability for fiscal matters. In addition, there are no component units as defined in Governmental Accounting Standards Board Statement 14, which are included in the District's reporting entity.

Basis of Presentation, Fund Accounting - District-wide Statements: The statement of net position and the statement of activities display information about the financial activities of the overall district, except for fiduciary activities. Only governmental-type activities are shown, since there are no "business-type activities" within the school district.

The statement of activities presents a comparison between direct expenses and program revenues for each different function of the District's governmental activities.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses – expenses of the District related to the administration and support of the District's programs, such as personnel and accounting – are not allocated to programs.

- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are

restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state foundation aid, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

The District reports the following major governmental funds:

- **General Fund.** This is the District's primary operating fund. It accounts for all financial resources, except those required to be accounted for in another fund.
- **Debt Service Fund.** This fund is used to account for the financial resources that are legally restricted for the retirement of District general obligation bonds.
- **Capital Projects Fund.** This fund is used to account for financial resources that are legally reserved for the acquisition, construction, or major repair of school property.

The District reports the following fund types:

- **Internal service fund.** The District has an internal service fund which is used to account for a medical risk pool. It uses the same basis of accounting as business-type activities.
- **Agency funds.** These funds account for assets held by the District as an agent for various student groups and clubs.

Basis of Accounting - The district-wide, proprietary, and fiduciary fund (excepting agency funds) financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. State support and grant revenues are susceptible to accrual.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred except for principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by cost-reimbursement grants and general revenues. When program expenses are incurred, the related revenue of cost-reimbursement grants is recognized.

Internal service funds follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless these pronouncements conflict with GASB pronouncements.

Restricted Resources - The District applies restricted resources when an expense is incurred for purposes for which both restricted and unreserved net assets are available.

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

The Board of Directors follows these procedures in establishing the budgetary data reflected in the financial statements:

1. At least 14 days prior to the public hearing the District publishes a proposed budget for public review.
2. A public hearing is set to obtain taxpayers comments.
3. The final budget is adopted by resolution of the Board at the regular June meeting of the Board of Trustees.
4. Prior to July 15, the final budget is filed with the State Department of Education.

The budget is a plan of spending under which expenditures may not exceed the budget at the fund level.

Management may amend the budget without seeking the approval of the trustees for revisions which do not increase the total budget.

Cash and Investments - The District's cash includes amounts in demand deposits and savings accounts in local depositories. Investments are deposited in the Idaho State Treasurer's Local Government Investment Pool. State statute and Board investment policy authorizes the District to invest in obligations of the U.S. Treasury, the State of Idaho, or county, city or other taxing districts of the State of Idaho, commercial paper, corporate bonds and repurchase agreements. Investments are stated at fair value, which approximates market. All investments are invested FDIC- and SLIC-insured accounts. Certain investments exceed the FDIC insured limits of \$250,000 as listed in Note 3. Interest income is defined as a non-operating revenue.

Deposits in State Treasurer's local government investment pool are stated at cost, which approximates market. The State Treasurer combines deposits from all governmental entities in the state which participate in the pool, and purchases the following types of investments:

- a. Local Certificates of Deposit
- b. Repurchase Agreements
- c. U.S. Government Securities

The entities participating in the pool own a percentage of each investment held. The percentage is calculated by dividing the individual entity's deposits by the total deposits held in the pool. The purpose of this is to:

- a. Increase the overall rate of return.
- b. Reduce the risk of default.
- c. Place each entity under the FDIC and SLIC limits of \$250,000.

Investments in time certificates of deposit and savings accounts are authorized by Board policy as permitted by Idaho code Section 67-1210.

Inventory - The District does not follow the practice of capitalizing expendable supplies at year-end in the General Fund. All supplies are recorded as expenditures in the period in which they were purchased.

General Fixed Assets - Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed assets are reported at estimated fair value at the time received.

The Board has set a capitalization threshold of \$5,000. All purchases and improvements to facilities, which are not considered repairs, are capitalized and depreciated using the straight-line method in the government-wide statements and proprietary funds. Lives for buildings and improvements range from 15–30

years. Lives for equipment range from 3–10 years. Vehicles and school buses have estimated lives of 10-20 years.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Accumulated Unpaid Vacation and Sick Pay - Under the terms of the "Kendrick Joint School District Personnel Manual" District employees are granted vacation and sick leave in varying amounts. In the event an employee leaves the District's services, unused vacation credits are compensated at the employee's current rate of pay, ranging from 0 - 15 days. Employees are not paid for unused sick leave upon termination of employment with the District.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. There is no accumulated vacation payable at June 30, 2013. In accordance with the provisions of Governmental Accounting Standards Board Statement 16, Accounting for Compensated Absences, no liability is recorded for non-vesting an accumulating right to receive sick pay benefits.

Long Term Obligations - In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. In the fund financial statements, governmental fund types recognized bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Compensation - The Sick Leave Bank represents a type of long-term payroll protection insurance for absences beyond the employee's accumulated sick leave. Participation is optional for all employees eligible for the Idaho Public Employees Retirement System, with all new participants contributing one sick leave day.

The Bank is administered by an in-District five-member committee as provided in the Teacher Negotiated Agreement. At June 30, 2013, there were 90 days of sick leave in the bank.

Encumbrances - The District does not utilize an encumbrance system.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain

reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fund Equity, GASB 54 – The *nonspendable* fund balance category includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers (grants), or through enabling legislation. The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. Amounts in the *assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, *assigned* fund balance represents the remaining amount that is not restricted or committed. *Unassigned* fund balance is the residual classification for the government’s general fund and includes all spendable amount not contained in the other classifications.

Deferred Revenue - Deferred revenue in the General, Debt Service, and Capital Projects Funds represent property taxes recorded but not estimated to be collected within 60 days of the end of the accounting period.

Subsequent Events – Subsequent events have been evaluated through the date of the auditor’s report. This is the date the financial statements were available to be issued. The District has concluded that no subsequent events have occurred.

NOTE 2 Property Tax

The District's property tax is levied each October on the value listed as of the prior January 1 for all real property located in the District. A revaluation of all property is required to be completed no less than every five years. The market value for the list of January 1, 2012 upon which the 2012 levy was based was \$120,809,224.

The District's actual levy was 4.138% per \$100 of market valuation for plant facility acquisitions, and 16.908% per \$100 for the payment of principal and interest on long-term debt. The combined tax rate to finance educational services other than the payment of principal and interest on long-term debt and plant facility acquisitions for the year ended June 30, 2013 was 65.372% per \$100, which means that the District was required to pass an override levy in the amount of 65.372% per \$100. The total tax levy for the year ended June 30, 2013 was \$1,046,202 with total tax collections being \$979,454.

Taxes are due in two equal installments on December 20th and June 20th following the levy date. Current tax collections for the year ended June 30, 2013 were 93.61% of the tax levy. Property taxes levied for 2012 are recorded as receivables to the extent of taxes not estimated to be collected within 60 days of the end of the accounting period.

	General Fund	Debt Service Fund	Capital Projects Fund	Total
Total taxes receivable at June 30, 2013	55,841	12,947	3,535	72,323
Less: Taxes Estimated to be collected by the County Treasurer by August 31, 2013	<u>11,168</u>	<u>2,590</u>	<u>707</u>	<u>14,465</u>
Deferred revenue	<u>\$ 44,673</u>	<u>\$ 10,357</u>	<u>\$ 2,828</u>	<u>\$ 57,858</u>

NOTE 3 Deposits and Investments

Deposits

	Carrying Amount	Bank Balance
<u>CASH</u>		
Checking and Savings Accounts	<u>\$ 262,018</u>	<u>\$ 396,330</u>

Checking and savings accounts were with Wells Fargo Bank, N.A. and Latah Federal Credit Union of which \$250,000 of accounts were covered by Federal Deposit Insurance.

Investments

Detail of investments at June 30, 2013 are as follows:

	Rate	General Fund	Capital Projects	Internal Service	Total
Investment in State Treasurer's Pool	Variable	<u>\$ 307,846</u>	<u>\$ 35,602</u>	<u>\$ 308,681</u>	<u>\$ 652,129</u>

Investment Maturities

<u>External Investment Pool</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Less than 1 Year</u>	<u>1-8 Years</u>
State Investment Pool	652,129	652,129	652,129	-

The State Treasurer’s Local Government Investment Pool is managed by the State of Idaho treasurer’s office. The funds of the pool are invested in certificates of deposit, repurchase agreements, and U.S. government securities. The certificates of deposit are federally insured. The U.S. government securities and the collateral for the repurchase agreements are held in trust by a safekeeping bank.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. Custodial credit risk for investments is the risk that in the event of the failure of the counter party (e.g. broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District does not have a policy restricting the amount of deposits and investments subject to custodial credit risk.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization such as Moody’s or Standard & Poor’s. The investments of the District at year-end are not required to be rated. The District does not have a policy regarding credit risk.

Interest rate risk is the risk that changes in market interest rates will adversely impact the fair value of an investment. Investments that are fixed for longer periods are likely to experience greater variability in their fair values due to future changes in interest rate. At year-end, the District is not subject to interest rate risk as all investments are held in the State Treasurer’s Local Government Investment Pool, which has a maturity of 91 days. The District does not have a policy regarding interest rate risk.

Concentration of credit risk is the risk that concentration of investments with one issuer represents heightened risk of potential loss. No specific percentage identifies when concentration risk is present. The Governmental Accounting Standards Board has adopted a principal that governments should provide note disclosure when five percent of the total investments of the entity are concentrated in any one issuer. Investments in obligations specifically

guaranteed by the U.S. government, mutual funds, and other pooled investments are exempt from disclosure. The District has no policy limiting the amount it may invest in any one issuer.

The State Treasurer's Local Government Investment Pool issues its own financial statement which can be obtained by writing P.O. Box 83720, Boise, ID 83720-0091.

NOTE 4 Changes in General Fixed Assets

A summary of changes in general fixed assets is as follows:

	July 1, 2012			June 30, 2013
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
Capital Assets not being depreciated				
Land improvements	<u>296,770</u>	-	-	<u>296,770</u>
Capital Assets being depreciated				
Land improvements	237,730	-	-	237,730
Buildings	5,888,327	19,467	-	5,907,794
Equipment	106,178	27,694	-	133,872
Transportation	<u>585,811</u>	-	-	<u>585,811</u>
Capital Assets being depreciated	<u>6,818,046</u>	<u>47,161</u>	-	<u>6,865,207</u>

Less: accumulated depreciation

	July 1, 2012			June 30, 2013
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
Land and improvements	(172,843)	(10,266)	-	(183,109)
Buildings	(1,682,099)	(111,104)	-	(1,793,203)
Equipment	(74,844)	(13,155)	-	(87,999)
Transportation	<u>(419,900)</u>	<u>(31,390)</u>	-	<u>(451,290)</u>
Total Accumulated Depreciation	<u>(2,349,686)</u>	<u>(165,915)</u>	-	<u>(2,515,601)</u>
Governmental Activities Assets (Net)	<u>\$4,765,130</u>	<u>(\$108,580)</u>	<u>\$ -</u>	<u>\$4,646,376</u>

NOTE 5 Long-Term Debt

The following is a summary of bond transactions of the District for the year ended June 30, 2013.

Bonds payable @ July 1, 2012	2,100,000
Principal payments	<u>(65,000)</u>
Bonds payable @ June 30, 2013	<u>\$ 2,035,000</u>

Bonds payable at June 30, 2013, are comprised of the following individual issues:

General Obligation Bonds:

2008 Series	
Original issue of \$2,360,000 due August 15, 2032	
Interest varies between 4% and 4.5%	<u>\$2,035,000</u>

SERIES 2008

<u>Date of Redemption</u>	<u>Interest Rate</u>	<u>Bond Principal</u>	<u>Interest Requirement</u>	<u>Total Requirement</u>
8/15/2013	4.00%	65,000.00	44,687.50	109,687.50
2/15/2014			43,387.50	43,387.50
8/15/2014	4.00%	70,000.00	43,387.50	113,387.50
2/15/2015			41,987.50	41,987.50
8/15/2015	4.00%	70,000.00	41,987.50	111,987.50
2/15/2016			40,587.50	40,587.50
8/15/2016	4.00%	75,000.00	40,587.50	115,587.50
2/15/2017			39,087.50	39,087.50
8/15/2017	4.00%	80,000.00	39,087.50	119,087.50
2/15/2018			37,487.50	37,487.50
8/15/2018	4.00%	80,000.00	37,487.50	117,487.50
2/15/2019			35,887.50	35,887.50
8/15/2019	4.50%	85,000.00	35,887.50	120,887.50
2/15/2020			33,975.00	33,975.00
8/15/2020	4.50%	90,000.00	33,975.00	123,975.00
2/15/2021			31,950.00	31,950.00
8/15/2021	4.50%	90,000.00	31,950.00	121,950.00
2/15/2022			29,925.00	29,925.00
8/15/2022	4.50%	95,000.00	29,925.00	124,925.00
2/15/2023			27,787.50	27,787.50
8/15/2023	4.50%	100,000.00	27,787.50	127,787.50
2/15/2024			25,537.50	25,537.50

8/15/2024	4.50%	105,000.00	25,537.50	130,537.50
2/15/2025			23,175.00	23,175.00
8/15/2025	4.50%	110,000.00	23,175.00	133,175.00
2/15/2026			20,700.00	20,700.00
8/15/2026	4.50%	115,000.00	20,700.00	135,700.00
2/15/2027			18,112.50	18,112.50
8/15/2027	4.50%	120,000.00	18,112.50	138,112.50
2/15/2028			15,412.50	15,412.50
8/15/2028	4.50%	125,000.00	15,412.50	140,412.50
2/15/2029			12,600.00	12,600.00
8/15/2029	4.50%	130,000.00	12,600.00	142,600.00
2/15/2030			9,675.00	9,675.00
8/15/2030	4.50%	135,000.00	9,675.00	144,675.00
2/15/2031			6,637.50	6,637.50
8/15/2031	4.00%	145,000.00	6,637.50	151,637.50
2/15/2032			3,375.00	3,375.00
8/15/2032	4.50%	<u>150,000.00</u>	<u>3,375.00</u>	<u>153,375.00</u>
		<u>\$2,035,000.00</u>	<u>\$1,039,262.50</u>	<u>\$3,074,262.50</u>

The District's Legal Debt Margin is calculated at 5% of the fair market value of property located within the District. At June 30, 2013 the Legal Debt Margin was:

Market Value at January 1, 2012	120,809,224
Percentage allowed	<u>5%</u>
Debt limitation	6,040,461
Less: Bonded debt at June 30, 2013	<u>2,035,000</u>
Legal Debt Margin	<u>\$4,005,461</u>

As of June 30, 2013, \$161,584 was available in the debt service fund to service the general obligation bonds.

NOTE 6 Partially Self-Insured Medical Benefit Pool

Dramatic increases in health insurance premiums have made it necessary for Kendrick Joint School District No. 283 to look at alternative ways to provide the best medical coverage for its employees. As a result, the Board of Trustees encumbered \$30,000 of the General Fund Balance in the FY 2001-2002 budget as a Self-Insured Employee Medical Pool. The purpose of the pool was two-fold: to offset the liability assumed by providing a partial self-fund health insurance plan for its employees, and to help fund future increases in the cost of medical insurance through the savings projected in administering the plan.

The savings in insurance costs, along with interest earned on investments, increased the Self-Insured Medical Benefit Pool balance to \$233,051 by the end of FY 2012-2013. The Board of Trustees authorized an operating transfer of the same amount to a newly created Internal Service Fund. The purpose of this proprietary fund type is solely for budgeting and management of the Self-Insured Employee Medical Pool.

Administration – The Self-Insured Medical Benefit Pool is administered by the Kendrick Jt. School District No. 283 Board of Trustees. The business manager will provide the Board with financial statements upon which the Board will make decisions and set a yearly budget. Operating transfers of funds out of the Pool will only be made at the direction of the Board of Trustees.

Initial Investment – With the exception of unusual circumstances, the initial investment of \$30,000 cannot be spent, only invested. An example of an “unusual circumstance” would be employee paid deductibles in a year that would exceed net earnings over the initial investment of \$30,000. An operating transfer to the General M & O Fund to help defray medical fringe benefit cost would not be an “unusual circumstance”.

District Liability – 100% of the liability of self-insuring the employees and dependents of Kendrick Jt. School Dist. No. 283 shall be retained in the Self-Insured Medical Benefit Pool. Liability is calculated by the number of employees and dependents plus the eligible retirees and dependents times 90% of the difference between the employee paid deductible and the district paid deductible.

Eligible Retirees – Retirees under the age of 65 years are eligible for benefits under the Self-Insured Medical Benefit Pool with no additional cost in premium to the retiree.

Dissolving the Self-Insured Medical Pool – If the Self-Insured Medical Benefit Pool is dissolved at some point in time, the fund balance will revert back into the General M & O Fund through an operating transfer of funds.

NOTE 7 Employee’s Retirement System

Public Employee Retirement System of Idaho (PERSI) – The PERSI Base Plan, a cost sharing multiple-employer public retirement system, was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The Plan provides benefits based on members’ years of service, age, and compensation. In addition, benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The authority to establish and amend benefit provisions is established in Idaho Code. Designed as a mandatory system for eligible state and school district employees, the legislation provided for other political subdivisions to participate

by contractual agreement with PERSI. After 5 years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each month of credited service, the annual service retirement allowance is 2.0% (2.3% police/firefighter) of the average monthly salary for the highest consecutive 42 months.

PERSI issues publicly available stand alone financial reports that include audited financial statements and required supplementary information. These reports may be obtained from PERSI’s website www.persi.idaho.gov.

The actuarially determined contribution requirements of the Kendrick Joint School District No. 283 and its employees are established and may be amended by the PERSI Board of Trustees. For the year ended June 30, 2013, the required contribution rate as a percentage of covered payrolls for members was 6.23% for general members and 7.65% for police/firefighters. The employer rate as a percentage of covered payroll was 10.39% for general members and 10.73% for police/firefighter members. The Kendrick Joint School District No. 283 employer contributions required and paid were \$158,958, \$147,246, and \$157,252, for the three years ended June 30, 2013, 2012, and 2011, respectively.

NOTE 8 Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

NOTE 9 Excess of Actual Expenditures Over Budget in Individual Funds

The following funds had an excess of actual expenditures over budget for the year ended June 30, 2013:

<u>Fund</u>	<u>Excess</u>
Child Nutrition	1,941
21 st Century Community Learning Centers	835
Title I-A, ESEA – Improving Basis Programs	10,647
Title VI-B, ESEA – Rural Education Achievement	2,252

These over-expenditures arose due to an increase in Local, State and Federal funding. To meet the student's education needs, the Board of Trustees approved the additional expenditures when additional funding became available. Idaho Code Section 33-701 allows the District to make budget adjustments to reflect the availability of funds and the requirements of the school district.

NOTE 10 Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosure of certain information concerning individual funds including:

Interfund Transfers - Transfers to support the operations of other funds are recorded as “Operating Transfers” and are classified with “Other financing sources or uses.” Idaho Code and State Department of Education Regulations mandate transfers into the Capital Projects Fund to cover the depreciation reimbursement. Total operating transfers are as follows:

	<u>Out</u>	<u>In</u>
General	69,199	38,000
Child Nutrition	-	26,286
Plant Facility	-	20,913
Internal Service	<u>38,000</u>	<u>22,000</u>
Totals	<u>\$ 107,199</u>	<u>\$ 107,199</u>

NOTE 11 Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS



Kendrick Joint School District No. 283
GENERAL FUND

To account for resources traditionally associated with District operations which are not required to be accounted for in another fund.

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

**GENERAL FUND
BALANCE SHEET
June 30, 2013**

ASSETS

Cash	86,983
Investments	307,846
Taxes receivable	55,841
Other receivables:	
State support	31,465
Federal support	29,853
Taxes due from counties	282,671
Other receivables	4,268
Prepaid expenses	<u>722</u>

Total assets \$ 799,649

LIABILITIES AND FUND EQUITY

Liabilities:

Accounts payable	86
Accrued payroll and benefits	242,528
Deferred revenue	<u>44,673</u>
Total liabilities	287,287

Fund equity:

Fund balance:	
Nonspendable	
Prepaid insurance	722
Unassigned	<u>511,640</u>
Total fund equity	<u>512,362</u>

Total liabilities and fund equity \$ 799,649

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

GENERAL FUND**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2013**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Local:			
Taxes	855,717	794,783	60,934
Earnings on investments	937	800	137
Other	31,922	3,600	28,322
Total local	<u>888,576</u>	<u>799,183</u>	<u>89,393</u>
State:			
Base support	1,390,180	1,227,489	162,691
Transportation	127,509	117,821	9,688
Exceptional child support	25,964	12,956	13,008
Benefit apportionment	162,773	164,560	(1,787)
Revenue in lieu of taxes	21,284	31,000	(9,716)
Other state	89,827	21,284	68,543
Total state	<u>1,817,537</u>	<u>1,575,110</u>	<u>242,427</u>
Federal:			
Unrestricted	980	-	980
Restricted	28,016	30,000	(1,984)
Total federal	<u>28,996</u>	<u>30,000</u>	<u>(1,004)</u>
Total revenues	<u>2,735,109</u>	<u>2,404,293</u>	<u>330,816</u>
EXPENDITURES			
Current:			
Instruction:			
Salaries	887,529	935,246	47,717
Benefits	357,002	378,298	21,296
Purchased services	29,771	48,758	18,987
Supply-materials	45,512	26,700	(18,812)
Capital objects	180	-	(180)
Total instruction	<u>1,319,994</u>	<u>1,389,002</u>	<u>69,008</u>
Support:			
Salaries	611,738	605,781	(5,957)
Benefits	246,217	317,115	70,898
Purchased services	231,945	217,418	(14,527)
Supply-materials	134,910	125,080	(9,830)
Capital objects	1,805	-	(1,805)
Insurance	22,720	22,720	-
Total support	<u>1,249,335</u>	<u>1,288,114</u>	<u>38,779</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(Continued)
For the Year Ended June 30, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
EXPENDITURES (Continued)			
Non-instruction:			
Benefits	3,461	4,000	539
Supply-materials	715	-	(715)
Total non-instruction	<u>4,176</u>	<u>4,000</u>	<u>(176)</u>
Total expenditures	<u>2,573,505</u>	<u>2,681,116</u>	<u>107,611</u>
Excess (deficiency) of revenues over expenditures	<u>161,604</u>	<u>(276,823)</u>	<u>438,427</u>
Other financing sources (uses):			
Operating transfer in:			
Internal Service fund	38,000	38,000	-
Operating transfer out:			
Bus depreciation	(20,913)	(12,444)	(8,469)
Child nutrition	(26,286)	(15,642)	(10,644)
Internal Service fund	(22,000)	(13,091)	(8,909)
Total other financing sources (uses)	<u>(31,199)</u>	<u>(3,177)</u>	<u>(28,022)</u>
Net change in fund balance	130,405	<u>\$ (280,000)</u>	<u>\$ 410,405</u>
Fund balance-Beginning of year	<u>381,957</u>		
Fund balance-End of year	<u>\$ 512,362</u>		

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION-BUDGET AND ACTUAL
For the Year Ended June 30, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
INSTRUCTION:			
Elementary school program			
Salaries	380,832	363,900	(16,932)
Benefits	158,144	153,583	(4,561)
Purchased services	3,002	12,400	9,398
Supply-materials	22,444	12,000	(10,444)
Capital objects	180	-	(180)
Total elementary school program	<u>564,602</u>	<u>541,883</u>	<u>(22,719)</u>
Secondary school program			
Salaries	287,936	326,444	38,508
Benefits	126,102	135,000	8,898
Purchased services	8,390	12,700	4,310
Supply-materials	9,851	12,000	2,149
Total secondary school program	<u>432,279</u>	<u>486,144</u>	<u>53,865</u>
Vocational-technical program			
Salaries	76,505	93,133	16,628
Benefits	29,346	40,608	11,262
Purchased services	210	300	90
Supply-materials	4,618	600	(4,018)
Total vocational-technical program	<u>110,679</u>	<u>134,641</u>	<u>23,962</u>
Special education program			
Salaries	95,521	86,981	(8,540)
Benefits	35,955	35,230	(725)
Purchased services	9,512	19,008	9,496
Supply-materials	8,545	600	10,463
Total special education program	<u>149,533</u>	<u>141,819</u>	<u>10,694</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION-BUDGET AND ACTUAL (Continued)
For the Year Ended June 30, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
INSTRUCTION (Continued):			
Special education preschool program			
Salaries	2,100	-	(2,100)
Benefits	399	-	(399)
Total special education preschool program	<u>2,499</u>	<u>-</u>	<u>(2,499)</u>
Interscholastic program			
Salaries	39,878	58,000	18,122
Benefits	6,088	11,500	5,412
Purchased services	7,789	3,850	(3,939)
Supply-materials	54	1,500	1,446
Total interscholastic program	<u>53,809</u>	<u>74,850</u>	<u>21,041</u>
School activity program			
Salaries	4,757	6,788	2,031
Benefits	968	2,377	1,409
Purchased services	868	500	(368)
Total school activity program	<u>6,593</u>	<u>9,665</u>	<u>3,072</u>
TOTAL INSTRUCTION			
Salaries	887,529	935,246	47,717
Benefits	357,002	378,298	21,296
Purchased services	29,771	48,758	18,987
Supply-materials	45,512	26,700	(18,812)
Capital objects	180	-	(180)
Total Instruction	<u>\$ 1,319,994</u>	<u>\$ 1,389,002</u>	<u>\$ 69,008</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION-BUDGET AND ACTUAL (Continued)
For the Year Ended June 30, 2013**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
SUPPORT:			
Attendance - guidance - health program			
Salaries	33,556	32,925	(631)
Benefits	14,289	16,300	2,011
Purchased services	1,212	700	(512)
Supply-materials	292	600	308
Total attendance - guidance - health program	<u>49,349</u>	<u>50,525</u>	<u>1,176</u>
Special education support services program			
Salaries	60,374	33,000	(27,374)
Benefits	13,818	18,000	4,182
Purchased Services	34,439	28,000	(6,439)
Supply-materials	1,133	792	(341)
Total special education support services program	<u>109,764</u>	<u>79,792</u>	<u>(29,972)</u>
Educational media program			
Salaries	25,497	26,500	1,003
Benefits	14,948	14,000	(948)
Purchased Services	-	750	750
Supply-materials	2,311	3,500	1,189
Total educational media program	<u>42,756</u>	<u>44,750</u>	<u>1,994</u>
Instruction-related technology program			
Salaries	24,409	33,157	8,748
Benefits	8,868	21,469	12,601
Purchased services	33	2,000	1,967
Supply-materials	7,663	9,500	1,837
Capital objects	250	-	(250)
Total instruction-related technology program	<u>41,223</u>	<u>66,126</u>	<u>24,903</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION-BUDGET AND ACTUAL (Continued)
For the Year Ended June 30, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
SUPPORT (Continued):			
District administration program			
Salaries	63,994	70,988	6,994
Benefits	17,701	35,516	17,815
Purchased services	27,807	17,000	(10,807)
Supply-materials	4,710	8,000	3,290
Insurance	53	53	-
Total district administration program	<u>114,265</u>	<u>131,557</u>	<u>17,292</u>
School administration program			
Salaries	145,878	136,925	(8,953)
Benefits	69,576	65,269	(4,307)
Purchased services	8,942	2,100	(6,842)
Supply-materials	3,103	3,000	(103)
Capital objects	530	-	(530)
Total school administration program	<u>228,029</u>	<u>207,294</u>	<u>(20,735)</u>
Business operation program			
Salaries	55,940	64,000	8,060
Benefits	29,658	35,384	5,726
Purchased services	17,566	5,200	(12,366)
Supply-materials	7,798	3,351	(4,447)
Capital objects	300	-	(300)
Insurance	53	53	-
Total business operation program	<u>111,315</u>	<u>107,988</u>	<u>(3,327)</u>
Administrative technology service program			
Salaries	29,135	25,000	(4,135)
Benefits	9,187	13,000	3,813
Purchased services	1,717	2,000	283
Supply-materials	21,330	9,500	(11,830)
Capital objects	725	-	(725)
Total administrative technology service program	<u>62,094</u>	<u>49,500</u>	<u>(12,594)</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION-BUDGET AND ACTUAL (Continued)
For the Year Ended June 30, 2013**

	<u>Actual</u>	<u>Budget</u>	<u>Favorable Variance (Unfavorable)</u>
SUPPORT (Continued):			
Buildings - care program (custodial)			
Salaries	38,091	43,000	4,909
Benefits	26,080	40,432	14,352
Purchased services	110,698	130,653	19,955
Supply-materials	11,189	18,256	7,067
Capital objects	-	-	-
Insurance	15,745	15,745	-
Total buildings - care program (custodial)	<u>201,803</u>	<u>248,086</u>	<u>46,283</u>
Maintenance - non-student occupied			
Salaries	2,026	1,917	(109)
Benefits	860	1,052	192
Purchased services	446	-	(446)
Supply-materials	433	-	(433)
Total maintenance - non-student occupied	<u>3,765</u>	<u>2,969</u>	<u>(796)</u>
Maintenance - student-occupied buildings			
Salaries	41,116	38,336	(2,780)
Benefits	15,849	18,903	3,054
Purchased services	7,475	10,000	2,525
Supply-materials	15,763	15,000	(763)
Total maintenance - student-occupied buildings	<u>80,203</u>	<u>82,239</u>	<u>2,036</u>
Maintenance - grounds			
Salaries	2,026	4,527	2,501
Benefits	859	1,297	438
Purchased Services	1,905	2,500	595
Supply-materials	3,840	1,000	(2,840)
Total maintenance - grounds	<u>8,630</u>	<u>9,324</u>	<u>694</u>
Pupil-to-school transportation program			
Salaries	82,856	85,206	2,350
Benefits	23,602	34,493	10,891
Purchased services	16,225	10,345	(5,880)
Supply-materials	54,619	48,500	(6,119)
Insurance	3,854	3,854	-
Total pupil-to-school transportation program	<u>181,156</u>	<u>182,398</u>	<u>1,242</u>
Pupil-activity transportation program			
Salaries	6,840	6,800	(40)
Benefits	825	1,200	375
Purchased Services	162	625	463
Supply-materials	-	2,686	2,686
Total pupil-activity transportation program	<u>7,827</u>	<u>11,311</u>	<u>3,484</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION-BUDGET AND ACTUAL (Continued)
For the Year Ended June 30, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
SUPPORT (Continued):			
General transportation program			
Salaries	-	3,500	3,500
Benefits	97	800	703
Purchased services	1,681	4,000	2,319
Supply-materials	726	1,395	669
Insurance	3,015	3,015	-
Total general transportation program	<u>5,519</u>	<u>12,710</u>	<u>7,191</u>
Other support services program			
Purchased services	1,637	1,545	(92)
Total other support services program	<u>1,637</u>	<u>1,545</u>	<u>(92)</u>
TOTAL SUPPORT			
Salaries	611,738	605,781	(5,957)
Benefits	246,217	317,115	70,898
Purchased services	231,945	217,418	(14,527)
Supply-materials	134,910	125,080	(9,830)
Capital objects	1,805	-	(1,805)
Insurance	22,720	22,720	-
Total Support	<u>\$ 1,249,335</u>	<u>\$ 1,288,114</u>	<u>\$ 38,779</u>
NON-INSTRUCTION:			
Child nutrition program			
Benefits	3,461	4,000	539
Total child nutrition program	<u>3,461</u>	<u>4,000</u>	<u>539</u>
Community services program			
Supply-materials	715	-	(715)
Total community services program	<u>715</u>	<u>-</u>	<u>(715)</u>
TOTAL NON-INSTRUCTION			
Benefits	3,461	4,000	539
Supply-materials	715	-	(715)
Total Non-Instruction	<u>\$ 4,176</u>	<u>\$ 4,000</u>	<u>\$ (176)</u>

Kendrick Joint School District No. 283
SPECIAL REVENUE FUNDS

Child Nutrition Fund - To account for costs of operating the school lunch program at the District. Financing is provided by State and Federal assistance and by sale of lunches. Reporting is done as a special revenue fund rather than as an enterprise fund due to the large amount of State and Federal assistance received by the program.

Drivers Education Fund - To account for costs of providing a driver education program. Financing for the program is provided through the Idaho State Department of Education.

Federal Forest Fund - To account for Federal revenue received from the U.S. Department of Agriculture. This Fund has been used for special capital outlay projects.

21st Century Community Learning Centers Fund – To account for restricted federal revenue to be spent on academic enrichment opportunities, art, music, recreation, sports, drug and violence prevention and youth development activities to students during non-school hours.

Title I-A, ESEA – Improving Basic Programs Fund - To account for restricted Federal revenue to be spent on programs to provide special instruction to disadvantaged students.

IDEA Part B – School-Age Fund - To account for restricted Federal revenue to be spent on programs to provide for special testing, physical therapy, teacher aides, equipment and materials, etc. in special education.

IDEA Part B – Pre-school Fund - To account for restricted Federal revenue to be spent on programs to provide for preschool handicapped (3-5 years old) in the same manner provided for school age children in the Title VI-B program.

State Professional Technical Fund - To account for restricted Federal revenue to be spent on equipment and materials for vocational programs.

Title II-A, ESEA – Improving Teacher Quality Fund - To account for restricted Federal revenue to be spent on in-service training of math and/or science teachers.

Title VI-B, ESEA – Rural Education Achievement Program Fund – To account for restricted Federal revenue to be spent on enhancing the other Federal programs.

Public School Technology – State Fund – To account for restricted Federal revenue to be spent on vocational training for alternative high school.

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
June 30, 2013

	Child Nutrition	Drivers Education	Federal Forest	21st Century Community Learning Centers	Title I-A Improving Basic Programs	IDEA Part B School-Age	IDEA Part B Pre-school	State Professional Technical	Title II-A Improving Teacher Quality	Title VI-B, ESEA - Rural Education Achievement Programs	Public School Technology - State	Total
ASSETS												
Cash	12,372	5,287	46,889	-	-	-	-	-	-	-	3,339	67,887
Other receivables:												
State reimbursement	-	-	-	-	-	-	-	5,027	-	-	-	5,027
Federal reimbursement	230	-	-	34,198	23,107	23,293	2,495	-	14,858	20,335	-	118,516
Total assets	<u>\$ 12,602</u>	<u>\$ 5,287</u>	<u>\$ 46,889</u>	<u>\$ 34,198</u>	<u>\$ 23,107</u>	<u>\$ 23,293</u>	<u>\$ 2,495</u>	<u>\$ 5,027</u>	<u>\$ 14,858</u>	<u>\$ 20,335</u>	<u>\$ 3,339</u>	<u>\$ 191,430</u>
LIABILITIES AND FUND EQUITY												
Liabilities:												
Bank overdraft	-	-	-	21,498	13,043	13,929	648	3,878	14,858	20,335	-	88,189
Accrued payroll and benefits	11,795	-	-	12,700	10,064	9,364	709	1,149	-	-	-	45,781
Deferred Revenue	807	-	-	-	-	-	-	-	-	-	-	807
Total liabilities	<u>12,602</u>	<u>-</u>	<u>-</u>	<u>34,198</u>	<u>23,107</u>	<u>23,293</u>	<u>1,357</u>	<u>5,027</u>	<u>14,858</u>	<u>20,335</u>	<u>-</u>	<u>134,777</u>
Fund equity:												
Fund balance:												
Restricted	-	5,287	46,889	-	-	-	1,138	-	-	-	3,339	56,653
Total fund equity	<u>-</u>	<u>5,287</u>	<u>46,889</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,339</u>	<u>56,653</u>
Total liabilities and fund equity	<u>\$ 12,602</u>	<u>\$ 5,287</u>	<u>\$ 46,889</u>	<u>\$ 34,198</u>	<u>\$ 23,107</u>	<u>\$ 23,293</u>	<u>\$ 2,495</u>	<u>\$ 5,027</u>	<u>\$ 14,858</u>	<u>\$ 20,335</u>	<u>\$ 3,339</u>	<u>\$ 191,430</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2013

	Child Nutrition	Drivers Education	Federal Forest	21st Century Community Learning Centers	Title I-A Improving Basic Programs	IDEA Part B School-Age	IDEA Part B Pre-school	State Professional Technical	Title II-A Improving Teacher Quality	Title VI-B, ESEA Rural Education Achievement Programs	Public School Technology - State	Total
REVENUES												
Local:												
Lunch sales	48,106	-	-	-	-	-	-	-	-	-	-	48,106
Other	-	2,185	-	-	-	-	-	-	-	-	-	2,185
Total local	48,106	2,185	-	-	-	-	-	-	-	-	-	50,291
State:												
Other state support	-	-	-	-	-	-	-	16,758	-	-	6,796	23,554
Driver education program	-	2,375	-	-	-	-	-	-	-	-	-	2,375
Total state	-	2,375	-	-	-	-	-	16,758	-	-	6,796	25,929
Federal:												
School lunch reimbursement	72,549	-	-	-	-	-	-	-	-	-	-	72,549
Restricted	-	-	7,692	133,785	65,535	54,515	4,248	-	16,935	26,913	-	309,623
Total federal	72,549	-	7,692	133,785	65,535	54,515	4,248	-	16,935	26,913	-	382,172
Total revenues	120,655	4,560	7,692	133,785	65,535	54,515	4,248	16,758	16,935	26,913	6,796	458,392
EXPENDITURES												
Current:												
Instruction:												
Salaries	-	2,768	-	-	41,149	34,410	2,472	5,786	-	-	3,851	90,436
Benefits	-	509	-	-	16,617	18,973	1,726	1,133	8	-	1,601	40,567
Purchased services	-	90	-	-	7,232	-	-	2,232	100	2,066	-	11,720
Supply-materials	-	565	-	-	537	1,132	-	6,120	-	17,053	-	25,407
Capital objects	-	-	-	-	-	-	-	1,487	-	-	-	1,487
Insurance	-	44	-	-	-	-	-	-	-	-	-	44
Total instruction	-	3,976	-	-	65,535	54,515	4,198	16,758	108	19,119	5,452	169,661
Support:												
Salaries	-	-	-	89,132	-	-	-	-	441	3,559	11,000	104,132
Benefits	-	-	-	25,939	-	-	-	-	5,089	4,235	4,881	40,144
Purchased services	-	-	-	5,694	-	-	-	-	9,884	-	-	15,578
Supply-materials	-	-	-	1,751	-	-	50	-	1,413	-	244	3,458
Capital objects	-	-	-	11,269	-	-	-	-	-	-	-	11,269
Total support	-	-	-	133,785	-	-	50	-	16,827	7,794	16,125	174,581
Non-instruction												
Salaries	47,502	-	-	-	-	-	-	-	-	-	-	47,502
Benefits	38,211	-	-	-	-	-	-	-	-	-	-	38,211
Purchased services	496	-	-	-	-	-	-	-	-	-	-	496
Supply-materials	60,732	-	-	-	-	-	-	-	-	-	-	60,732
Total non-instruction	146,941	-	-	-	-	-	-	-	-	-	-	146,941
Total expenditures	146,941	3,976	-	133,785	65,535	54,515	4,248	16,758	16,935	26,913	21,577	491,183
Excess (deficiency) revenues over expenditures	(26,286)	584	7,692	-	-	-	-	-	-	-	(14,781)	(32,791)
Other financing sources (uses):												
Operating transfer in	26,286	-	-	-	-	-	-	-	-	-	-	26,286
Net change in fund balance	-	584	7,692	-	-	-	-	-	-	-	(14,781)	(6,505)
Fund balance - Beginning of year	-	4,703	39,197	-	-	-	1,138	-	-	-	18,120	63,158
Fund balance - End of year	\$ -	\$ 5,287	\$ 46,889	\$ -	\$ -	\$ -	\$ 1,138	\$ -	\$ -	\$ -	\$ 3,339	\$ 56,653

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

CHILD NUTRITION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET
AND ACTUAL
For the Year Ended June 30, 2013

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Local:			
Lunch sales	48,106	60,000	(11,894)
Federal:			
School lunch reimbursement	72,549	69,000	3,549
Total revenues	120,655	129,000	(8,345)
EXPENDITURES			
Current:			
Non-instruction			
Salaries	47,502	50,807	3,305
Benefits	38,211	37,733	(478)
Purchased services	496	-	(496)
Supply-materials	60,732	56,460	(4,272)
Total expenditures	146,941	145,000	(1,941)
Excess (deficiency) revenues over expenditures	(26,286)	(16,000)	(10,286)
Other financing sources (uses):			
Operating transfer in	26,286	16,000	10,286
Net change in fund balance	-	\$ -	\$ -
Fund balance-Beginning of year	-		
Fund balance-End of year	\$ -		

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

DRIVERS EDUCATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET
AND ACTUAL
For the Year Ended June 30, 2013

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Local:			
Other	2,185	2,990	(805)
State:			
Driver education program	2,375	3,250	(875)
Total revenue	4,560	6,240	(1,680)
EXPENDITURES			
Current:			
Instruction:			
Salaries	2,768	4,000	1,232
Benefits	509	788	279
Purchased services	90	150	60
Supply-materials	565	1,500	935
Capital objects	-	4,258	4,258
Insurance	44	44	-
Total expenditures	3,976	10,740	6,764
Net change in fund balance	584	\$ (4,500)	\$ 5,084
Fund balance-Beginning of year	4,703		
Fund balance-End of year	\$ 5,287		

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

FEDERAL FOREST FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
For the Year Ended June 30, 2013

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Federal:			
Restricted	7,692	4,500	3,192
Total revenues	7,692	4,500	3,192
EXPENDITURES			
Support:			
Capital objects	-	50,230	50,230
Total expenditures	-	50,230	50,230
Net change in fund balance	7,692	\$ (45,730)	\$ 53,422
Fund balance-Beginning of year	39,197		
Fund balance-End of year	\$ 46,889		

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

21ST CENTURY COMMUNITY LEARNING CENTERS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
For the Year Ended June 30, 2013

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Federal:			
Restricted	133,785	132,950	835
Total revenues	133,785	132,950	835
EXPENDITURES			
Current:			
Support:			
Salaries	89,132	91,178	2,046
Benefits	25,939	18,584	(7,355)
Purchased services	5,694	12,188	6,494
Supply-materials	1,751	11,000	9,249
Capital objects	11,269	-	(11,269)
Total expenditures	133,785	132,950	(835)
Net change in fund balance	-	\$ -	\$ -
Fund balance-Beginning of year	-		
Fund balance-End of year	\$ -		

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

TITLE I-A, ESEA - IMPROVING BASIC PROGRAMS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
For the Year Ended June 30, 2013

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Federal:			
Restricted	65,535	48,559	16,976
Total revenues	65,535	48,559	16,976
EXPENDITURES			
Current:			
Instruction:			
Salaries	41,149	40,103	(1,046)
Benefits	16,617	7,900	(8,717)
Purchased services	7,232	1,885	(5,347)
Supply-materials	537	5,000	4,463
Total expenditures	65,535	54,888	(10,647)
Net change in fund balance	-	\$ (6,329)	\$ 6,329
Fund balance -Beginning of year	-		
Fund balance-End of year	\$ -		

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

IDEA Part B - SCHOOL-AGE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
For the Year Ended June 30, 2013

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Federal:			
Restricted	54,515	54,239	276
Total revenues	54,515	54,239	276
EXPENDITURES			
Current:			
Instruction:			
Salaries	34,410	68,448	34,038
Benefits	18,973	13,484	(5,489)
Supply-materials	1,132	-	(1,132)
Total expenditures	54,515	81,932	27,417
Net change in fund balance	-	\$ (27,693)	\$ 27,693
Fund balance-Beginning of year	-		
Fund balance-End of year	\$ -		

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

IDEA Part B - PRE-SCHOOL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
For the Year Ended June 30, 2013

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Federal:			
Restricted	4,248	5,373	(1,125)
Total revenues	4,248	5,373	(1,125)
EXPENDITURES			
Current:			
Instruction:			
Salaries	2,472	4,489	2,017
Benefits	1,726	884	(842)
Total instruction	4,198	5,373	1,175
Support:			
Supplies-materials	50	-	(50)
Total expenditures	4,248	5,373	1,125
Net change in fund balance	-	\$ -	\$ -
Fund balance-Beginning of year	1,138		
Fund balance-End of year	\$ 1,138		

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

STATE PROFESSIONAL TECHNICAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
For the Year Ended June 30, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
State:			
Other state support	16,758	18,810	(2,052)
Total revenues	<u>16,758</u>	<u>18,810</u>	<u>(2,052)</u>
EXPENDITURES			
Current:			
Instruction:			
Salaries	5,786	5,629	(157)
Benefits	1,133	1,017	(116)
Purchased services	2,232	1,600	(632)
Supply-materials	6,120	10,564	4,444
Capital objects	1,487	-	(1,487)
Total expenditures	<u>16,758</u>	<u>18,810</u>	<u>2,052</u>
Net change in fund balance	-	<u>\$ -</u>	<u>\$ -</u>
Fund balance-Beginning of year	<u>-</u>		
Fund balance-End of year	<u>\$ -</u>		

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**TITLE II-A, ESEA - IMPROVING TEACHER QUALITY FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL**

For the Year Ended June 30, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Federal:			
Restricted	<u>16,935</u>	<u>18,120</u>	<u>(1,185)</u>
Total revenues	<u>16,935</u>	<u>18,120</u>	<u>(1,185)</u>
EXPENDITURES			
Current:			
Instruction:			
Benefits	8	-	(8)
Purchased services	<u>100</u>	<u>-</u>	<u>(100)</u>
Total instruction	<u>108</u>	<u>-</u>	<u>(108)</u>
Support:			
Salaries	441	-	(441)
Benefits	5,089	18,790	13,701
Purchased services	9,884	-	(9,884)
Supply-materials	<u>1,413</u>	<u>-</u>	<u>(1,413)</u>
Total support	<u>16,827</u>	<u>18,790</u>	<u>1,963</u>
Total expenditures	<u>16,935</u>	<u>18,790</u>	<u>1,855</u>
Net change in fund balance	-	<u>\$ (670)</u>	<u>\$ 670</u>
Fund balance-Beginning of year	<u>-</u>		
Fund balance-End of year	<u>\$ -</u>		

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**TITLE VI-B, ESEA - RURAL EDUCATION ACHIEVEMENT PROGRAM FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL**

For the Year Ended June 30, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Federal:			
Restricted	<u>26,913</u>	<u>10,000</u>	<u>16,913</u>
Total revenues	<u>26,913</u>	<u>10,000</u>	<u>16,913</u>
EXPENDITURES			
Current:			
Instruction:			
Salaries	-	20,602	20,602
Benefits	-	4,059	4,059
Purchased services	2,066	-	(2,066)
Supply-materials	<u>17,053</u>	<u>-</u>	<u>(17,053)</u>
Total instruction	<u>19,119</u>	<u>24,661</u>	<u>5,542</u>
Support:			
Supply-materials	3,559	-	(3,559)
Capital objects	<u>4,235</u>	<u>-</u>	<u>(4,235)</u>
Total Support	<u>7,794</u>	<u>-</u>	<u>(7,794)</u>
Total expenditures	<u>26,913</u>	<u>24,661</u>	<u>(2,252)</u>
Net change in fund balance	-	<u>\$ (14,661)</u>	<u>\$ 14,661</u>
Fund balance-Beginning of year	<u>-</u>		
Fund balance-End of year	<u>\$ -</u>		

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**PUBLIC SCHOOL TECHNOLOGY - STATE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL**

For the Year Ended June 30, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
State:			
Other state support	<u>6,796</u>	<u>17,132</u>	<u>(10,336)</u>
Total revenues	<u>6,796</u>	<u>17,132</u>	<u>(10,336)</u>
EXPENDITURES			
Current:			
Instruction:			
Salaries	3,851	16,710	12,859
Benefits	1,601	3,290	1,689
Purchased services	-	14,310	14,310
Total instruction	<u>5,452</u>	<u>34,310</u>	<u>28,858</u>
Support:			
Salaries	11,000	-	(11,000)
Benefits	4,881	-	(4,881)
Supply-materials	244	-	(244)
Total support	<u>16,125</u>	<u>-</u>	<u>(16,125)</u>
Total expenditures	<u>21,577</u>	<u>34,310</u>	<u>12,733</u>
Net change in fund balance	(14,781)	<u>\$ (17,178)</u>	<u>\$ 2,397</u>
Fund balance-Beginning of year	<u>18,120</u>		
Fund balance-End of year	<u>\$ 3,339</u>		

Kendrick Joint School District No. 283
DEBT SERVICE FUND

The debt service fund is established to receive property taxes levied for the redemption of general obligation bonds and payment of interest on those bonds as it is due. The District is allowed by law to carry in fund balance an additional seven months bond requirements in this fund to cover cash flow requirements.

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

DEBT SERVICE FUND
BALANCE SHEET
June 30, 2013

ASSETS

Cash	127,919
Taxes receivable	12,947
Other receivables:	
Taxes due from counties	<u>31,075</u>

Total assets \$ 171,941

LIABILITIES AND FUND EQUITY

Liabilities:

Deferred revenue	<u>10,357</u>
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Total liabilities 10,357

Fund equity:

Fund balance:	
Restricted	<u>161,584</u>

Total fund equity 161,584

Total liabilities and fund equity \$ 171,941

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
For the Year Ended June 30, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Local:			
Taxes	<u>176,679</u>	<u>204,261</u>	<u>(27,582)</u>
State:			
Other	<u>6,138</u>	<u>5,000</u>	<u>1,138</u>
Total revenues	<u>182,817</u>	<u>209,261</u>	<u>(26,444)</u>
EXPENDITURES			
Debt service:			
Principal	65,000	130,000	65,000
Interest	<u>90,675</u>	<u>178,750</u>	<u>88,075</u>
Total expenditures	<u>155,675</u>	<u>308,750</u>	<u>153,075</u>
Net change in fund balance	27,142	<u>\$ (99,489)</u>	<u>\$ 126,631</u>
Fund balance-Beginning of year	<u>134,442</u>		
Fund balance-End of year	<u>\$ 161,584</u>		

Kendrick Joint School District No. 283
CAPITAL PROJECTS FUND

School Plant Facility - This fund is established to account for appropriated funds to acquire plant facility items. Financing is provided by tax revenues.

School Plant Facility Bus Depreciation – This fund is established to account for funds to replace school buses only.

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

ALL CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2013

	School Plant Facility	School Plant Facility - Bus Depreciation	Total
ASSETS			
Cash	37,063	60,662	97,725
Investments	35,602	-	35,602
Taxes receivable	3,535	-	3,535
Other receivables:			
Taxes due from counties	5,590	-	5,590
Total assets	\$ 81,790	\$ 60,662	\$ 142,452
 LIABILITIES AND FUND EQUITY			
Liabilities:			
Deferred revenue	2,828	-	2,828
Total liabilities	2,828	-	2,828
Fund equity:			
Fund balance			
Restricted	78,962	60,662	139,624
Total fund equity	78,962	60,662	139,624
Total liabilities and fund equity	\$ 81,790	\$ 60,662	\$ 142,452

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**ALL CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 2013**

	<u>School Plant Facility</u>	<u>School Plant Facility - Bus Depreciation</u>	<u>Total</u>
REVENUES			
Local:			
Taxes	41,940	-	41,940
Earnings on investments	71	-	71
Total local	<u>42,011</u>	<u>-</u>	<u>42,011</u>
Total revenues	<u>42,011</u>	<u>-</u>	<u>42,011</u>
EXPENDITURES			
Purchased services	-	-	-
Capital objects	<u>56,511</u>	<u>-</u>	<u>56,511</u>
Total expenditures	<u>56,511</u>	<u>-</u>	<u>56,511</u>
Excess (deficiency) of revenues over/under expenditures	(14,500)	-	(14,500)
Other financing sources (uses):			
Transfer in	-	20,913	20,913
Total other financing sources (uses)	<u>-</u>	<u>20,913</u>	<u>20,913</u>
Net change in fund balance	(14,500)	20,913	6,413
Fund balance-Beginning of year	<u>93,462</u>	<u>39,749</u>	<u>133,211</u>
Fund balance-End of year	<u>\$ 78,962</u>	<u>\$ 60,662</u>	<u>\$ 139,624</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

SCHOOL PLANT FACILITY FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND
ACTUAL
For the Year Ended June 30, 2013

	Actual	Budget	Variance- Favorable (Unfavorable)
REVENUES			
Local:			
Taxes	41,940	50,000	(8,060)
Earnings on investments	71	-	71
Total revenues	42,011	50,000	(7,989)
 EXPENDITURES			
Purchased services	-	68,293	68,293
Supplies-materials	-	68,294	68,294
Capital objects	56,511	-	(56,511)
Total expenditures	56,511	136,587	80,076
Net change in fund balance	(14,500)	\$ (86,587)	\$ 72,087
Fund balance-Beginning of year	93,462		
Fund balance-End of year	\$ 78,962		

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

SCHOOL PLANT FACILITY FUND - BUS DEPRECIATION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND
ACTUAL

For the Year Ended June 30, 2013

	Actual	Budget	Variance- Favorable (Unfavorable)
REVENUES			
Total revenues	-	-	-
EXPENDITURES			
Capital objects	-	71,493	71,493
Total expenditures	-	71,493	71,493
Excess (deficiency) of revenues over/under expenditures	-	(71,493)	71,493
Other financing sources (uses):			
Transfer in	20,913	25,177	(4,264)
Total other financing sources (uses)	20,913	25,177	(4,264)
Net change in fund balance	20,913	\$ (46,316)	\$ 67,229
Fund balance-Beginning of year	39,749		
Fund balance-End of year	\$ 60,662		

Kendrick Joint School District No. 283
PROPRIETARY FUND

To account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial information. Goods or services from such activities are provided to other funds.

Kendrick Joint School District No. 283
PROPRIETARY FUND

The purpose of this proprietary fund type is solely for budgeting and management of the Self-Insured Employee Medical Pool.

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

**INTERNAL SERVICE FUND
BALANCE SHEET
June 30, 2013**

ASSETS

Investments 308,681

Total assets \$ 308,681

LIABILITIES AND FUND EQUITY

Liabilities:

Bank overdraft 75,630

Total liabilities 75,630

Fund equity:

Retained earnings 233,051

Total liabilities and fund equity \$ 308,681

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Kendrick, Idaho

INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS - BUDGET AND
ACTUAL
For the Year Ended June 30, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUE			
Local	-	20,000	(20,000)
Earnings on investments	595	600	(5)
Total revenues	<u>595</u>	<u>20,600</u>	<u>(20,005)</u>
Other financing sources:			
Operating transfer in	22,000	-	22,000
Operating transfer out	<u>(38,000)</u>	<u>(45,000)</u>	<u>7,000</u>
Total other financing sources	<u>(16,000)</u>	<u>(45,000)</u>	<u>29,000</u>
Net change in retained earnings	(15,405)	<u>\$ (24,400)</u>	<u>\$ 8,995</u>
Retained earnings-Beginning of year	<u>248,456</u>		
Retained earnings-End of year	<u>\$ 233,051</u>		

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2013

Cash Flows From Noncapital Financing Activities

Cash paid to other funds	(16,000)	
Net cash used in noncapital financing activities	<u> </u>	(16,000)

Cash Flows From Investing Activities

Purchase of investments	(21,743)	
Earnings on investments	595	
Net cash used in investing activities	<u> </u>	<u> </u> (21,148)

Net decrease in cash (37,148)

Cash (deficit) - beginning of year (38,482)

Cash (deficit) - end of year \$ (75,630)

Kendrick Joint School District No. 283
AGENCY FUND

The agency fund includes funds held for elementary and secondary student groups by the District for disbursements as dictated by the individual student groups. Operations of these student groups are not considered a part of District financial operations. Existent

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Kendrick, Idaho

STUDENT GROUP AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Year Ended June 30, 2013

	<u>Balance July 1, 2012</u>	<u>Net Change</u>	<u>Balance June 30, 2013</u>
ASSETS			
Cash	53,516	(8,193)	45,323
Total assets	<u>\$ 53,516</u>	<u>\$ (8,193)</u>	<u>\$ 45,323</u>
LIABILITIES			
Due to student groups	53,516	(8,193)	45,323
Total liabilities	<u>\$ 53,516</u>	<u>\$ (8,193)</u>	<u>\$ 45,323</u>