

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT
OXFORD, IOWA

INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2013

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CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

OFFICIALS

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
<u>Board of Education</u>		
Eileen Schmidt	President	2013
Rick Hergert	Vice President	2015
Mick Kahler	Board Member (Resigned October 2012)	
Jim Seelman	Board Member (Appointed November 2012)	2013
Aimee Pitlick	Board Member	2013
Bob Broghammer	Board Member	2015
Terry Davis	Board Member	2015
Steve Swenka	Board Member	2015
<u>School Officials</u>		
Denise Schares	Superintendent	2013
Lori Robertson	District Secretary/Treasurer and Business Manager	2013
Simmons, Perrine, Moyer and Bergman	Attorney	Indefinite

DOUGLAS T. HUNT, CPA
DONALD D. KAIN
CHUCK C. CONVERSE, CPA
RUSSELL S. TERPSTRA, CPA
MICHAEL G. STANLEY, CPA
DEE A.A. HOKE, CPA

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education of
Clear Creek Amana Community School District:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Clear Creek Amana Community School District, Clear Creek Amana Iowa, 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 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 U.S. generally accepted accounting principles. 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 U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District'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 District'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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Clear Creek Amana Community School District as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

Other Matters*Required Supplementary Information*

U.S. generally accepted accounting principles require Management's Discussion and Analysis, the Budgetary Comparison Information and the Schedule of Funding Progress for the Retiree Health Plan on pages 7 through 17 and 58 through 60 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 which 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 U.S. generally accepted auditing standards, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Clear Creek Amana Community School District's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the four years ended June 30, 2012 (which are not presented herein) and expressed unqualified opinions on those financial statements. The financial statements for the four years ended June 30, 2008 (which are not presented herein) were audited by other auditors who expressed unqualified opinions on those financial statements. The supplementary information included in Schedules 1 through 10, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financials statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 10, 2014 on our consideration of Clear Creek Amana Community School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on 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 Clear Creek Amana Community School District's internal control over financial reporting and compliance.

Oskaloosa, Iowa
February 10, 2014

Hunt & Associates, P.C.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Clear Creek Amana Community School District provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2013. We encourage readers to consider this information in conjunction with the district's financial statements, which follow.

2013 FINANCIAL HIGHLIGHTS

- The district decreased the general fund balance from a beginning balance of \$5,087,713 to an ending balance of \$4,785,385 .
 - This represents a decrease of \$302,328 and results in a general fund balance of 27.56% of general fund expenditures.
 - Fund balance trends in the district since FY 2008.
 - 27.56% of general fund expenditures in FY 13
 - 33.60% of general fund expenditures in FY 12
 - 25.10% of general fund expenditures in FY 11
 - 16.50% of general fund expenditures in FY 10
 - 13.36% of general fund expenditures in FY 09
 - 12.96% of general fund expenditures in FY 08
 - The general fund balance meets board policy parameters which set a minimum ending balance not to fall below a range of 6% to 10% of general fund expenditures (\$1,041,889 to \$1,736,482).
- Total general fund revenues continue to reflect a growth rate in excess of state funded growth primarily as a result of increased student enrollment.

	<u>General Fund Revenue</u>	<u>Dollar and Percent Change</u>
FY13	\$17,061,419	(\$ 370,745 change or 2.22%)
FY12	\$16,690,674	(\$ 1,324,032 change or 8.62%)
FY11	\$15,366,642	(\$ 1,434,878 change or 10.3%)
FY10	\$13,931,764	(\$ 395,279 change or 2.92%)
FY09	\$13,536,485	(\$ 693,267 change or 5.40%)
FY08	\$12,843,218	(\$1,151,982 change or 9.85%)
FY07	\$11,691,236	(\$ 744,907 change or 6.81%)

- CCA increased resident students (1565.2 to 1576.5) a change of 11.3 students. The increase in resident students results in an increase in revenue in the general fund.
- In addition to increasing resident student enrollment, the district continued to have a net gain of students attending CCA schools as a result of the open enrollment law. The Clear Creek Amana schools have a greater number of students choosing to attend in the district under the open enrollment law than the number of students that choose to attend neighboring districts. For FY 2013, open enrollment brought a net gain of 199.6 students at a state cost per pupil of \$6,037 or \$1,204,985 dollars.
- The District continues to benefit from growth in the taxable valuation; averaging \$70.6 million per year or 8.62% over the past 10 years.

OVERVIEW OF THE FINANCIAL STATEMENTS

Within this audit report, you will find three primary sections: The Management's Discussion and Analysis (MD&A), The Basic Financial Statements, and Required Supplementary Information.

- Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the district's financial activities. In the MD&A, significant factors and trend lines affecting the overall financial health of the district are discussed.
- The Basic Financial Statements include the Government-wide Financial Statements. Governmental activities supported by tax and intergovernmental revenue are reported separately from activities typically supported through fees for service. These statements provide information about the activities of Clear Creek Amana Community School District as a whole and present an overall view of the district's finances.
- The Governmental Fund Financial Statements reports the Clear Creek Amana Community School District's operations in more detail than the government-wide statements by providing information about the most significant funds.
 - Within the major governmental funds, the district reports on the General Fund which is the primary operating fund of the District. The Capital Projects Fund accounts for all resources used for the acquisition and construction of capital facilities, and the Debt Service Fund is utilized to account for the payment of interest and principal on the District's long-term debt.
 - Proprietary funds statements offer short and long-term financial information about the activities the District operates like businesses, such as Food and Nutrition, Day Care, and Public Pool.
 - Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

Figure A-1 shows how the various parts of this audit report are arranged and relate to one another.

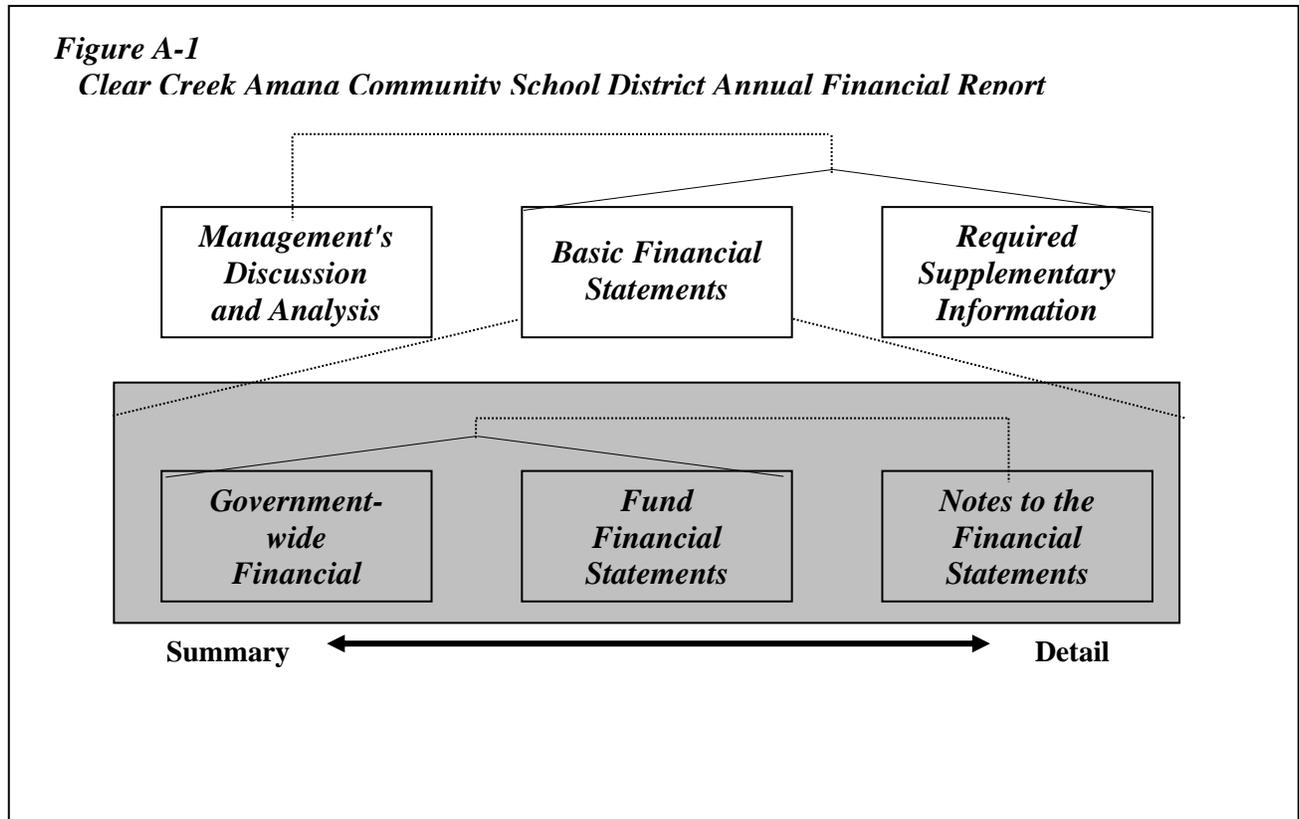


Figure A-2 summarizes the major features of the district’s financial statements, including the portion of the district’s activities they cover and the types of information they contain.

Figure A-2 Major Features of the Government-wide and Fund Financial Statements				
	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services, day care and public pool	Instances in which the District administers resources on behalf of someone else, such as scholarship programs
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenues, expenses and changes in fund net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

REPORTING THE DISTRICT'S FINANCIAL ACTIVITIES

Government-wide Financial Statements

The government-wide financial statements report information about the district as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the district's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two government-wide financial statements report the district's net position and how it has changed. Net position – the difference between the district's assets and liabilities – is one way to measure the district's financial health or financial position. Over time, increases or decreases in the district's net position are an indicator of whether financial position is improving or deteriorating. To assess the district's overall health, additional non-financial factors, such as changes in the district's property tax base and the condition of school buildings and other facilities, need to be considered.

Within the government-wide financial statements, the district's activities are divided into two categories:

- *Governmental activities:* Most of the district's basic services are included here, such as regular and special education, transportation and administration. Property tax and state aid finance most of these activities.
- *Business type activities:* The district charges fees to help cover the costs of certain services it provides. The district's school nutrition program is included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the district's funds, focusing on its most significant or "major" funds – not the district as a whole. Funds are accounting devices the district uses to keep track of specific sources of funding and spending on particular programs.

Some funds are required by state law and by bond covenants. The district establishes other funds to control and manage money for particular purposes, such as accounting for student activity funds, or to show that it is properly using certain revenues, such as federal grants. The district maintains three categories of funds:

- 1) *Governmental funds:* Most of the district's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs. The district's governmental funds include the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Fund. The required financial statements for governmental funds include a balance sheet and a statement of revenues, expenditures and changes in fund balances.
- 2) *Proprietary funds:* Services for which the district charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide financial statements. The districts' Enterprise Funds, one type of proprietary fund, are the same as its business type activities, but provide more detail and additional information, such as cash flows. The district currently has several Enterprise Funds, the School Nutrition Fund, Day Care Fund and Pool Fund. The required financial statements for proprietary funds include a statement of net position, a statement of revenues, expenses and changes in fund net position and a statement of cash flows.

- 3) *Fiduciary funds*: The district is the trustee, or fiduciary, for assets that belong to others. These funds include Restricted Purpose Trust and Agency Funds.
- Restricted Purpose Trust Fund – The district accounts for outside donations from the Springmier endowment for the purpose of supporting the high school library.
 - Agency Funds – These are funds through which the district administers and accounts for certain donations collected for support of certain expenditures related to the operation of the curricular and extra-curricular programs of the district.

The district is responsible for ensuring the assets reported in the fiduciary funds are used only for their intended purposes and by those to whom the assets belong. The district excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations. The required financial statements for fiduciary funds include a statement of fiduciary net position and a statement of changes in fiduciary net position.

Reconciliations between the government-wide financial statements and the fund financial statements follow the fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Figure A-3 below provides a summary of the District’s net position at June 30, 2013 compared to June 30, 2012.

Figure A-3

	Condensed Statement of Net Position						Percentage Change 2012-13
	Governmental Activities		Business-type Activities		Total School District		
	2013	2012	2013	2012	2013	2012	
Current assets	\$30,566,148	\$22,070,460	658,592	653,319	31,224,740	22,723,779	37.4%
Capital assets	52,123,673	50,908,374	418,145	415,520	52,541,818	51,323,894	2.4%
Total assets	\$82,689,821	\$72,978,834	\$1,076,737	\$1,068,839	\$83,766,558	\$74,047,673	13.1%
Long-term liabilities(bonds)	\$41,715,000	\$34,405,000	-	-	41,715,000	34,405,000	21.25%
Other liabilities	14,195,875	13,050,341	111,754	119,249	14,307,629	13,169,590	8.6%
Total liabilities	\$55,910,875	\$47,455,341	\$111,754	\$119,249	\$56,022,629	\$47,574,590	17.8%
Net Position:							
Net investment in capital assets	\$17,463,673	16,503,374	418,145	415,520	17,881,818	16,918,894	5.7%
Restricted	5,717,512	4,886,301	-	-	5,717,512	4,886,301	17.0%
Unrestricted	3,597,761	4,133,818	546,838	534,070	4,144,599	4,667,888	-11.2%
TOTAL NET POSITION	\$26,778,946	\$25,523,493	\$964,983	\$949,590	\$27,743,929	\$26,473,083	4.8%

- The District's total net position increased 4.8%, over the prior year. The largest portion of the District's total net position is the net investment in capital assets (e.g., land, infrastructure, buildings and equipment).
- Restricted net position represents resources that are subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. The District's restricted net position reflects an increase from the prior year.
- Unrestricted net position – the part of governmental activities net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – decreased \$523,289.
- District long-term liabilities reflect the bonds payable for the construction of a new elementary and a new secondary school in 2008 and 2009.

Figure A-4 compares the change in net position for the years ended June 30, 2012 and June 30, 2013.

Figure A-4

	Change in Net Position						Percentage Change 2012-13
	Governmental Activities		Business-type Activities		Total School District		
	2013	2012	2013	2012	2013	2012	
Revenues							
Program Revenues:							
Charges for services	\$2,516,762	\$2,335,604	\$1,030,677	\$992,551	\$3,547,439	\$3,328,155	6.6%
Operating grants, contributions and restricted interest	2,198,843	2,139,052	348,295	322,977	2,547,138	2,462,029	3.5%
Capital grants, contributions and restricted interest	-	3,863	-	-	-	3,863	-100%
General Revenues:							
Property taxes	9,889,376	9,081,173	-	-	9,889,376	9,081,173	8.9%
Income Surtax	538,296	944,954	-	-	538,296	944,954	-43.0%
Local option sales tax	1,337,035	1,711,615	-	-	1,337,035	1,711,615	-21.9%
Unrestricted state grants	6,412,153	6,354,050	-	-	6,412,153	6,354,050	0.9%
Unrestricted investment earnings	26,620	96,874	632	1,108	27,257	97,982	-72.2%
Other revenue	109,898	119,534	-	-	109,898	119,534	-8.1%
Total Revenues	\$23,028,983	\$22,786,719	\$1,379,604	\$1,316,636	\$24,408,587	\$24,103,355	1.3%
Expenses:							
Instruction	12,158,526	10,571,894	-	-	12,158,526	10,571,894	15.0%
Support services	6,096,400	5,342,758	21,355	9,819	6,117,755	5,352,577	14.3%
Non-instructional programs	6,286	4,975	1,342,856	1,230,932	1,349,142	1,235,907	9.2%
Other expenditures	3,512,318	3,624,149	-	-	3,512,318	3,624,149	-3.1%
Total expenses	\$21,773,530	\$19,543,776	\$1,364,211	\$1,240,751	\$23,137,741	\$20,784,527	11.3%
CHANGE IN NET POSITION	1,255,453	3,242,943	15,393	75,885	1,270,846	3,318,828	-61.7%
Net position beginning of year	25,523,493	22,280,550	949,590	873,705	26,473,083	23,154,255	14.3%
Net position end of year	\$26,778,946	\$25,523,493	964,983	949,590	27,743,929	26,473,083	4.8%

The changes in Net Position in Figure A-4 show that the district experienced a 1.3% increase in revenues. An increase in educational services, property tax collections and income surtax revenue were the primary sources of revenue increases.

During the same period, the district increased expenditures at the rate of 11.3%. Maintaining expenditures to less than available revenue contributed to the overall improvement of net position of 4.8%.

Governmental Activities

Revenue in Government Activities increased primarily in educational services and property tax revenue. Expenditures also increased, primarily in the area of instruction and plant operations due to increased operating costs.

Business Type Activities

The District's business type activities include the School Food Nutrition, Day Care and Public Pool. Revenues of these activities were comprised of charges for service such as the increased price of school lunches, federal and state reimbursements. Revenues for business type activities were \$1,379,604 and expenses were \$1,364,211. It is the district intent that these activities are self supporting and maintain minimal fund balances.

INDIVIDUAL FUND ANALYSIS

As previously noted, Clear Creek Amana Community School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The financial performance of the District as a whole is reflected in its governmental funds, as well. As the District completed the year, its governmental funds reported a combined fund balance of \$17,179,591 an increase over last year's ending fund balances of \$9,261,074. This is largely due to an increase in assets from increased revenues due to advanced refunding of GO bonds and maintaining expenditures.

Governmental Fund Highlights

- The General Fund balance decreased from \$5,087,713 to \$4,785,385 on June 30, 2013. This represents a balance of 27.56% of general fund expenditures, which is in excess of board policy minimum fund balance guideline of maintaining a balance of six to ten percent of expenditures.
- The Physical Plant and Equipment Levy (PPEL) Fund balance increased from \$473,004 to \$616,503 on June 30, 2013. These funds remain available for future capital improvements and major equipment purchases.
- The Management Fund balance increased from \$340,207 to \$821,085 on June 30, 2013. The district is building a small balance in this fund in anticipation of staff retirements and increased property/casualty insurance premiums for capital improvements.

Proprietary Fund Highlights

School Nutrition Fund net position decreased from \$661,766 to \$647,300 on June 30, 2013 as a result of increased equipment needs.

BUDGETARY HIGHLIGHTS

Total expenditures were \$1,565,088 less than the original budget, due primarily to the District's budget for the General Fund. It is the District's practice to budget expenditures at the maximum authorized spending authority for the General Fund. The District then manages or controls General Fund spending through its line-item budget. As a result, the District's certified budget should always exceed actual expenditures for the year. This year however, the budget was exceeded in the instructional programs area due to computer purchase agreement and accounting code changes.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2013 the District had invested \$52.5 million, net of accumulated depreciation, in a broad range of capital assets. These assets include: land, buildings, athletic facilities, technology and transportation equipment. (See Figure A-6) This represents a slight increase from last year. Depreciation expense for the year was \$1,606,491.

Figure A-6

Capital Assets (net of depreciation)

	Governmental		Business type		Total		Percentage Change 2012-13
	Activities		Activities		School District		
	2013	2012	2013	2012	2013	2012	
Land	\$ 1,578,566	\$ 1,578,566	-	-	\$ 1,578,566	\$ 1,578,566	0%
Construction in progress	2,173,778	70,635	-	-	2,173,778	70,635	2977.5%
Buildings	44,182,990	45,135,324	-	-	44,182,990	45,135,324	-2.1%
Improvements	2,519,348	2,649,486	-	-	2,519,348	2,649,486	-4.9%
Equipment & Furniture	1,668,991	1,474,363	418,145	415,520	2,087,136	1,889,883	10.4%
TOTAL	\$52,123,673	50,908,374	418,145	415,520	\$52,541,818	\$51,323,894	2.4%

Long-Term Debt

At June 30, 2013, the District had \$42,547,320 in general obligation, revenue and other long-term debt. This is a increase of \$7,400,713 from the prior year due to advance refunding of GO bonds, callable June 2014. Termination benefits and compensated absences decreased by \$133,964 due to decreased district retirement obligations.

Figure A-7
Outstanding Long-Term Obligations

	Total School District		Percentage
	2013	2012	Change 2012-13
General Obligation Bonds	\$28,660,000	\$23,235,000	23.3%
Capital Leases	140,597	0	
Termination Benefits	430,243	530,243	-18.9%
Compensated Absences	18,400	52,364	-64.9%
Revenue Bonds	13,055,000	11,170,000	16.9%
Net OPEB Liability	243,000	159,000	52.8%
	<u>\$42,547,320</u>	<u>\$35,146,607</u>	<u>21.1%</u>

ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District was aware of several existing circumstances that could significantly affect its financial health in the future:

- A decrease in the amount of \$302,328 in the general fund balance reflects changes in the District's long term cash flow.
- Clear Creek Amana has benefitted from an increase in total valuation, averaging \$70.6 million or 8.62% per year over the past ten years.
- School financing is highly dependent upon the student enrollment from the prior year. Enrollment has increased in the past five years for an average rate of 2.56 % per year. Looking ahead to FY14, the district will again benefit from an increase in student enrollment to 1671.25 students. The interest in students from other districts requesting open enrollment also continues to increase which will likely result in increased numbers of students attending the district in future years.
- The one-cent option sales tax generated \$1,337,035 of revenue in FY2013. Beginning in FY2013, the income generated per student in Johnson County converts to the state wide average which resulted in a reduction of annual income from this revenue source in the amount of \$374,580.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Ms. Lori Robertson, Director of Finance or Tim Kuehl, Superintendent, 327 South Augusta Avenue, Oxford, IA 52322. Phone: (319) 828-4510.

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Basic Financial Statements

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

STATEMENT OF NET POSITION

June 30, 2013

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and pooled investments	\$ 19,067,254	\$ 630,524	\$ 19,697,778
Receivables:			
Property tax:			
Current year	42,558	-	42,558
Succeeding year	10,370,280	-	10,370,280
Income surtax	447,835	-	447,835
Accounts	3,706	8,049	11,755
Due from other governments	634,515	2,214	636,729
Inventories	-	17,805	17,805
Capital assets, net of accumulated depreciation (note 4)	52,123,673	418,145	52,541,818
Total assets	82,689,821	1,076,737	83,766,558
Liabilities			
Accounts payable	1,010,747	6,871	1,017,618
Salaries and benefits payable	1,545,888	88,991	1,634,879
Accrued interest payable	424,833	-	424,833
Deferred revenue:			
Succeeding year property tax	10,370,280	-	10,370,280
Other	11,807	15,892	27,699
Long-term liabilities (note 5):			
Portion due within one year:			
Termination benefits	166,298	-	166,298
Bonds payable	3,285,000	-	3,285,000
Capital lease purchase agreement	69,140	-	69,140
Compensated absences	18,400	-	18,400
Portion due after one year:			
Termination benefits	264,025	-	264,025
Bonds payable	38,430,000	-	38,430,000
Capital lease purchase agreement	71,457	-	71,457
Net OPEB liability	243,000	-	243,000
Total liabilities	55,910,875	111,754	56,022,629

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

STATEMENT OF NET POSITION

June 30, 2013

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Net Position			
Net investment in capital assets	\$ 17,463,673	\$ 418,145	\$ 17,881,818
Restricted for:			
Categorical funding (note 11)	1,105,358	-	1,105,358
Debt service	2,058,866	-	2,058,866
Capital projects	1,142,073	-	1,142,073
Physical plant and equipment levy purposes	739,897	-	739,897
Management levy purposes	390,762	-	390,762
Student activities	190,888	-	190,888
Library levy purposes	89,668	-	89,668
Unrestricted	<u>3,597,761</u>	<u>546,838</u>	<u>4,144,599</u>
Total net position	<u>\$ 26,778,946</u>	<u>\$ 964,983</u>	<u>\$ 27,743,929</u>

See notes to financial statements.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Governmental Activities:			
Instruction	\$ 12,158,526	\$ 2,183,479	\$ 1,552,340
Support services:			
Student	344,203	309,630	2,613
Instructional staff	952,730	14,338	23,528
Administration	2,193,749	-	-
Operation and maintenance of plant	1,682,198	9,315	-
Transportation	923,520	-	6,263
	<u>6,096,400</u>	<u>333,283</u>	<u>32,404</u>
Non-instructional programs	<u>6,286</u>	-	-
Other expenditures:			
Facilities acquisition	116,264	-	-
Long-term debt interest and fiscal charges	1,737,586	-	-
AEA flowthrough	614,099	-	614,099
Depreciation (unallocated) *	1,044,369	-	-
	<u>3,512,318</u>	<u>-</u>	<u>614,099</u>
Total governmental activities	<u>21,773,530</u>	<u>2,516,762</u>	<u>2,198,843</u>
Business-Type Activities:			
Support services:			
Administration	465	-	-
Operation and maintenance of plant	20,262	-	-
Transportation	628	-	-
	<u>21,355</u>	<u>-</u>	<u>-</u>

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (8,422,707)	\$ -	\$ (8,422,707)
(31,960)	-	(31,960)
(914,864)	-	(914,864)
(2,193,749)	-	(2,193,749)
(1,672,883)	-	(1,672,883)
(917,257)	-	(917,257)
(5,730,713)	-	(5,730,713)
(6,286)	-	(6,286)
(116,264)	-	(116,264)
(1,737,586)	-	(1,737,586)
-	-	-
(1,044,369)	-	(1,044,369)
(2,898,219)	-	(2,898,219)
(17,057,925)	-	(17,057,925)
-	(465)	(465)
-	(20,262)	(20,262)
-	(628)	(628)
-	(21,355)	(21,355)

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Business-Type Activities (continued):			
Non-instructional programs:			
Food service operations	\$ 927,915	\$ 596,778	\$ 331,345
Daycare operations	377,431	403,279	16,950
Pool operations	37,510	30,620	-
	<u>1,342,856</u>	<u>1,030,677</u>	<u>348,295</u>
Total business-type activities	<u>1,364,211</u>	<u>1,030,677</u>	<u>348,295</u>
Total	<u>\$ 23,137,741</u>	<u>\$ 3,547,439</u>	<u>\$ 2,547,138</u>

General revenues:

Property tax levied for:
 General purposes
 Debt service
 Capital outlay
 Library services
 Income surtax
 Statewide sales, services and use tax
 Unrestricted state grants
 Unrestricted investment earnings
 Other

Total general revenues

Change in net position

Net position beginning of year

Net position end of year

* = This amount excludes the depreciation included in the direct expenses of the various programs.

See notes to financial statements.

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ -	\$ 208	\$ 208
-	42,798	42,798
-	(6,890)	(6,890)
-	36,116	36,116
-	14,761	14,761
(17,057,925)	14,761	(17,043,164)
\$ 6,491,660	\$ -	\$ 6,491,660
2,713,237	-	2,713,237
660,323	-	660,323
24,156	-	24,156
538,296	-	538,296
1,337,035	-	1,337,035
6,412,153	-	6,412,153
26,620	632	27,252
109,898	-	109,898
18,313,378	632	18,314,010
1,255,453	15,393	1,270,846
25,523,493	949,590	26,473,083
\$ 26,778,946	\$ 964,983	\$ 27,743,929

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2013

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor</u>	<u>Total</u>
Assets					
Cash and pooled investments	\$ 6,752,026	\$ 8,076,620	\$ 3,133,402	\$ 1,105,206	\$ 19,067,254
Receivables:					
Property tax:					
Current year	26,546	8,854	2,155	5,003	42,558
Succeeding year	5,036,318	3,690,994	669,205	973,763	10,370,280
Income surtax	179,134	-	268,701	-	447,835
Accounts	2,977	-	189	540	3,706
Due from other governments	417,468	-	216,742	305	634,515
 Total assets	 <u>\$ 12,414,469</u>	 <u>\$ 11,776,468</u>	 <u>\$ 4,290,394</u>	 <u>\$ 2,084,817</u>	 <u>\$ 30,566,148</u>

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2013

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor</u>	<u>Total</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 861,206	\$ -	\$ 145,397	\$ 4,144	\$ 1,010,747
Salaries and benefits payable	1,540,619	-	-	5,269	1,545,888
Deferred revenue:					
Succeeding year property tax	5,036,318	3,690,994	669,205	973,763	10,370,280
Other	190,941	-	268,701	-	459,642
Total liabilities	<u>7,629,084</u>	<u>3,690,994</u>	<u>1,083,303</u>	<u>983,176</u>	<u>13,386,557</u>
Fund balances:					
Restricted for:					
Categorical funding (note 11)	1,105,358	-	-	-	1,105,358
Revenue bonds	-	-	1,448,515	-	1,448,515
Revenue bonds sinking fund	-	898,341	-	-	898,341
Debt service	-	7,187,133	-	-	7,187,133
School infrastructure	-	-	1,142,073	-	1,142,073
Physical plant and equipment	-	-	616,503	-	616,503
Management levy purposes	-	-	-	821,085	821,085
Student activities	-	-	-	190,888	190,888
Library purposes	-	-	-	89,668	89,668
Assigned for special purposes	33,469	-	-	-	33,469
Unassigned	3,646,558	-	-	-	3,646,558
Total fund balances	<u>4,785,385</u>	<u>8,085,474</u>	<u>3,207,091</u>	<u>1,101,641</u>	<u>17,179,591</u>
Total liabilities and fund balances	<u>\$ 12,414,469</u>	<u>\$ 11,776,468</u>	<u>\$ 4,290,394</u>	<u>\$ 2,084,817</u>	<u>\$ 30,566,148</u>

See notes to financial statements.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT
 RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
 TO THE STATEMENT OF NET POSITION
 June 30, 2013

Total fund balances of governmental funds	\$ 17,179,591
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 the governmental funds.	52,123,673
Other long-term assets, including income surtax receivable, are not available to pay current period expenditures and, therefore, are deferred in the governmental funds.	447,835
Accrued interest payable on long-term liabilities is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds.	(424,833)
Long-term liabilities, including termination benefits, bonds payable, capital lease purchase agreements, compensated absences, and net OPEB liability, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.	<u>(42,547,320)</u>
Net position of governmental activities	<u>\$ 26,778,946</u>
See notes to financial statements.	

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

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

	General	Debt Service	Capital Projects	Nonmajor	Total
Revenues:					
Local sources:					
Local tax	\$ 6,176,989	\$ 2,712,714	\$ 2,282,869	\$ 1,003,240	\$ 12,175,812
Tuition	1,799,996	-	-	-	1,799,996
Other	246,160	14,684	3,438	326,769	591,051
State sources	7,914,436	523	127	1,546	7,916,632
Federal sources	923,838	-	-	-	923,838
Total revenues	<u>17,061,419</u>	<u>2,727,921</u>	<u>2,286,434</u>	<u>1,331,555</u>	<u>23,407,329</u>
Expenditures:					
Current:					
Instruction	11,265,248	-	256,310	337,231	11,858,789
Support services:					
Student	319,689	-	-	21,967	341,656
Instructional staff	915,441	-	123,382	230	1,039,053
Administration	1,956,375	-	-	345,690	2,302,065
Operation and maintenance of plant	1,442,519	-	95,585	127,577	1,665,681
Transportation	851,452	-	214,066	32,106	1,097,624
	<u>5,485,476</u>	<u>-</u>	<u>433,033</u>	<u>527,570</u>	<u>6,446,079</u>
Non-instructional programs	-	-	-	6,286	6,286
Other expenditures:					
Facilities acquisition	-	-	2,375,874	-	2,375,874
Long term debt:					
Principal	-	2,538,851	-	-	2,538,851
Interest and fiscal charges	-	1,618,751	55,156	-	1,673,907
AEA flowthrough	614,099	-	-	-	614,099
	<u>614,099</u>	<u>4,157,602</u>	<u>2,431,030</u>	<u>-</u>	<u>7,202,731</u>
Total expenditures	<u>17,364,823</u>	<u>4,157,602</u>	<u>3,120,373</u>	<u>871,087</u>	<u>25,513,885</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(303,404)</u>	<u>(1,429,681)</u>	<u>(833,939)</u>	<u>460,468</u>	<u>(2,106,556)</u>

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

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

	General	Debt Service	Capital Projects	Nonmajor	Total
Other financing sources (uses):					
Compensation for loss of capital assets	\$ 1,076	\$ -	\$ 8,537	\$ -	\$ 9,613
General obligation bonds issued	-	7,150,000	-	-	7,150,000
Revenue bonds issued	-	-	2,625,000	-	2,625,000
Premium on bonds issued	-	-	26,012	-	26,012
Execution of capital lease	-	-	214,448	-	214,448
Interfund transfers in (note 3)	-	1,244,409	-	-	1,244,409
Interfund transfers out (note 3)	-	-	(1,244,409)	-	(1,244,409)
Total other financing sources (uses)	<u>1,076</u>	<u>8,394,409</u>	<u>1,629,588</u>	<u>-</u>	<u>10,025,073</u>
Net change in fund balances	(302,328)	6,964,728	795,649	460,468	7,918,517
Fund balances beginning of year	<u>5,087,713</u>	<u>1,120,746</u>	<u>2,411,442</u>	<u>641,173</u>	<u>9,261,074</u>
Fund balances end of year	<u>\$ 4,785,385</u>	<u>\$ 8,085,474</u>	<u>\$ 3,207,091</u>	<u>\$ 1,101,641</u>	<u>\$ 17,179,591</u>

See notes to financial statements.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2013

Net change in fund balances - total governmental funds \$ 7,918,517

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, those costs are not reported
in the Statement of Net Position and are allocated over their estimated useful
lives as depreciation expense in the Statement of Activities. The amounts
of capital outlays and depreciation expense in the year are as follows:

Expenditures for capital assets	\$ 2,770,004	
Depreciation expense	<u>(1,554,705)</u>	1,215,299

Income surtax revenue not received until several months after the District's
fiscal year end is not considered available revenue and is deferred in the
governmental funds. It is, however, recorded as revenue in the Statement
of Activities. (413,208)

The change in net position of the Internal Service Fund is included in
governmental activities in the Statement of Activities due to the integral
nature of the fund to the governmental funds. (763)

Proceeds from issuing long-term liabilities provide current financial resources
to governmental funds but issuing debt increases long-term liabilities in the
Statement of Net Position and does not affect the Statement of Activities. (9,989,448)

Repayment of long-term liabilities is an expenditure in the governmental
funds, but it reduces long-term liabilities in the Statement of Net Position. 2,538,851

Interest on long-term debt in the Statement of Activities differs from the
amount reported in the governmental funds because interest is recorded as
an expenditure in the funds when due. In the Statement of Activities,
however, interest expense is recognized as the interest accrues, regardless
of when it is due. (63,679)

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2013

Some expenses reported in the Statement of Activities do not require the use
of current financial resources and, therefore, are not reported as
expenditures in the governmental funds, as follows:

Early retirement	\$	99,920	
Compensated absences		33,964	
Net OPEB liability		<u>(84,000)</u>	\$ <u>49,884</u>
Change in net position of governmental activities			\$ <u><u>1,255,453</u></u>

See notes to financial statements.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

June 30, 2013

	Enterprise		
	School Nutrition	Nonmajor	Total
Assets			
Current assets:			
Cash and investments	\$ 328,013	\$ 302,511	\$ 630,524
Accounts receivable	-	8,049	8,049
Due from other governments	53	2,161	2,214
Inventories	17,805	-	17,805
Total current assets	<u>345,871</u>	<u>312,721</u>	<u>658,592</u>
Noncurrent assets:			
Capital assets, net of accumulated depreciation (note 4)	373,686	44,459	418,145
Total assets	<u>719,557</u>	<u>357,180</u>	<u>1,076,737</u>
Liabilities			
Current liabilities:			
Accounts payable	859	6,012	6,871
Salaries and benefits payable	55,506	33,485	88,991
Deferred revenue	15,892	-	15,892
Total current liabilities	<u>72,257</u>	<u>39,497</u>	<u>111,754</u>
Net Position			
Net investment in capital assets	373,686	44,459	418,145
Unrestricted	<u>273,614</u>	<u>273,224</u>	<u>546,838</u>
Total net position	<u>\$ 647,300</u>	<u>\$ 317,683</u>	<u>\$ 964,983</u>

See notes to financial statements.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2013

	Enterprise			Internal Service
	School Nutrition	Nonmajor	Total	Flexible Benefits
Operating revenues:				
Local sources:				
Charges for services	\$ 596,778	\$ 433,899	\$ 1,030,677	\$ -
Operating expenses:				
Support services:				
Administration	285	180	465	-
Operation and maintenance of plant	14,960	5,302	20,262	-
Transportation	-	628	628	-
Non-instructional programs	927,915	414,941	1,342,856	763
	943,160	421,051	1,364,211	763
Operating income (loss)	(346,382)	12,848	(333,534)	(763)
Non-operating revenues:				
Interest on investments	571	61	632	-
State sources	7,670	6,619	14,289	-
Federal sources	323,675	10,331	334,006	-
Total non-operating revenues	331,916	17,011	348,927	-
Change in net position	(14,466)	29,859	15,393	(763)
Net position beginning of year	661,766	287,824	949,590	763
Net position end of year	\$ 647,300	\$ 317,683	\$ 964,983	\$ -

See notes to financial statements.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

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

	Enterprise			Internal
	School Nutrition	Nonmajor	Total	Service Flexible Benefits
Cash flows from operating activities:				
Cash received from sale of lunches and breakfasts	\$ 591,100	\$ -	\$ 591,100	\$ -
Cash received from miscellaneous operating activities	4,678	428,835	433,513	-
Cash payments to employees for services	(369,976)	(338,478)	(708,454)	-
Cash payments to suppliers for goods or services	(489,694)	(72,018)	(561,712)	(763)
Net cash provided by (used by) operating activities	(263,892)	18,339	(245,553)	(763)
Cash flows from non-capital financing activities:				
State grants received	7,670	4,700	12,370	-
Federal grants received	274,049	10,331	284,380	-
Net cash provided by non-capital financing activities	281,719	15,031	296,750	-
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(7,612)	(46,799)	(54,411)	-
Cash flows from investing activities:				
Interest on investments	171	61	232	-
Net increase (decrease) in cash and cash equivalents	10,386	(13,368)	(2,982)	(763)
Cash and cash equivalents beginning of year	244,708	315,879	560,587	763
Cash and cash equivalents end of year	\$ 255,094	\$ 302,511	\$ 557,605	\$ -

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

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

	Enterprise			Internal
	School Nutrition	Nonmajor	Total	Service Flexible Benefits
Reconciliation of operating income (loss) to net cash provided by (used by) operating activities:				
Operating income (loss)	\$ (346,382)	\$ 12,848	\$ (333,534)	\$ (763)
Adjustments to reconcile operating income (loss) to net cash provided by (used by) operating activities:				
Depreciation	49,446	2,340	51,786	-
Commodities used	49,573	-	49,573	-
(Increase) in accounts receivable	-	(5,064)	(5,064)	-
(Increase) in inventories	(819)	-	(819)	-
Increase (decrease) in accounts payable	(20,405)	2,316	(18,089)	-
Increase in salaries and benefits payable	5,695	5,899	11,594	-
(Decrease) in deferred revenue	(1,000)	-	(1,000)	-
Net cash provided by (used by) operating activities	<u>\$ (263,892)</u>	<u>\$ 18,339</u>	<u>\$ (245,553)</u>	<u>\$ (763)</u>
Reconciliation of cash and cash equivalents end of year to specific assets included on Statement of Net Position:				
Cash and investments	\$ 328,013	\$ 302,511	\$ 630,524	\$ -
Less items not meeting the definition of a cash equivalent:				
Certificate of deposit	<u>(72,919)</u>	<u>-</u>	<u>(72,919)</u>	<u>-</u>
Cash and cash equivalents end of year	<u>\$ 255,094</u>	<u>\$ 302,511</u>	<u>\$ 557,605</u>	<u>\$ -</u>

Non-cash investing, capital and financing activities:

During the year ended June 30, 2013, the District received \$49,573 of federal commodities.

See notes to financial statements.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 1. Summary of Significant Accounting Policies

Clear Creek Amana Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades kindergarten through twelve and special education. Additionally, the District either operates or sponsors various adult education programs. These courses include remedial education as well as vocational and recreational courses. The geographic area served includes the Cities of Coralville, North Liberty, Oxford, Tiffin and the Seven Villages of the Amana Colonies, Iowa, and agricultural territory in Johnson and Iowa Counties. The District is governed by a Board of Education whose members are elected on a non-partisan basis.

The District's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

A. Reporting Entity

For financial reporting purposes, Clear Creek Amana Community School District has included all funds, organizations, agencies, boards, commissions and authorities. The District has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on, the District. Clear Creek Amana Community School District has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly Governed Organizations – The District participates in a jointly governed organization that provides services to the District but does not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The District is a member of the Johnson and Iowa County Assessor's Conference Boards.

B. Basis of Presentation

District-wide Financial Statements – The Statement of Net Position (previously referred to as net assets) and the Statement of Activities report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for service.

The Statement of Net Position presents the District's nonfiduciary assets and liabilities, with the difference reported as net position. Net position is reported in three categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt attributable to the acquisition, construction, or improvement of those assets.

Restricted net position results when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 1. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

Unrestricted net position consists of net position not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements – Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the District-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental funds. Combining schedules are also included for the Capital Projects Fund accounts.

The District reports the following major governmental funds:

The General Fund is the general operating fund of the District. All general tax revenues and other revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, including instructional, support and other costs.

The Debt Service Fund is used to account for property tax and other revenues to be used for the payment of interest and principal on the District's general long-term debt.

The Capital Projects Fund is used to account for all resources used in the acquisition and construction of capital facilities and other capital assets.

The District reports the following major proprietary fund:

The Enterprise, School Nutrition Fund is used to account for the food service operations of the District.

C. Measurement Focus and Basis of Accounting

The District-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus and Basis of Accounting (continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end.

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the District's policy is generally to first apply the expenditure toward restricted fund balance and then to less-restrictive classifications – committed, assigned and then unassigned fund balances.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The District maintains its financial records on the cash basis. The financial statements of the District are prepared by making memorandum adjusting entries to the cash basis financial records.

D. Assets, Liabilities and Fund Equity

The following accounting policies are followed in preparing the financial statements:

Cash, Pooled Investments and Cash Equivalents – The cash balances of most District funds are pooled and invested. Investments are stated at fair value except for the investment in the Iowa Schools Joint Investment Trust, which is valued at amortized cost, and non-negotiable certificates of deposit, which are stated at cost.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Fund Equity (continued)

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and, at the day of purchase, have a maturity date no longer than three months. Investments not meeting the definition of cash equivalents at June 30, 2013 included \$72,919 of certificates of deposit with maturity dates longer than three months.

Property Tax Receivable – Property tax in governmental funds is accounted for using the modified accrual basis of accounting.

Property tax receivable is recognized in these funds on the levy or lien date, which is the date that the tax asking is certified by the Board of Education. Current year property tax receivable represents unpaid taxes from the current year. The succeeding year property tax receivable represents taxes certified by the Board of Education to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the District is required to certify its budget in April of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred in both the District-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

The property tax revenue recognized in these funds becomes due and collectible in September and March of the fiscal year with a 1 ½% per month penalty for delinquent payments; is based on January 1, 2011 assessed property valuations; is for the tax accrual period July 1, 2012 through June 30, 2013 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2012.

Income Surtax Receivable – Income surtax budgeted for the fiscal year ended June 30, 2013 will not be received by the District until several months after the fiscal year end. Accordingly, income surtax is recorded as a receivable and included in deferred revenue on the modified accrual basis for the governmental funds. For the District-wide statements, on the Statement of Activities the income surtax revenue is recognized.

Due From Other Governments – Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories – Inventories are valued at cost using the first-in, first-out method for purchased items and government commodities. Inventories of proprietary funds are recorded as expenses when consumed rather than when purchased or received.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Fund Equity (continued)

Capital Assets – Capital assets, which include property, furniture, and equipment, are reported in the applicable governmental or business-type activities columns in the District-wide Statement of Net Position. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class	Amount
Land	\$ 5,000
Buildings	5,000
Improvements other than buildings	5,000
Intangibles	100,000
Furniture and equipment:	
School Nutrition Fund equipment	500
Other furniture and equipment	5,000

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Buildings	50 years
Improvements other than buildings	5-25 years
Furniture and equipment	3-20 years

Salaries and Benefits Payable – Payroll and related expenditures for teachers with annual contracts corresponding to the current school year, which are payable in July and August, have been accrued as liabilities.

Deferred Revenue – Although certain revenues are measurable, they are not available. Available means collectible within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue in the governmental fund financial statements represents the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue for governmental funds consists of unspent grant proceeds, the succeeding year property tax receivable and other receivables not collected within sixty days after year end.

Deferred revenue for governmental activities in the Statement of Net Position consists of unspent grant proceeds and the succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Fund Equity (continued)

Deferred revenue for proprietary funds and business-type activities consists of unearned meal revenues.

Long-term Liabilities – In the District-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities column in the Statement of Net Position.

Compensated Absences – District employees accumulate a limited amount of earned but unused vacation for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the District-wide financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees who have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2013. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund.

Fund Equity – In the governmental fund financial statements, fund balances are classified as follows:

Restricted – Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or are imposed by law through constitutional provisions or enabling legislation.

Assigned – Amounts the Board of Education intends to use for specific purposes.

Unassigned – All amounts not included in the preceding classifications.

E. Budgets and Budgetary Control

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2013, expenditures in the instruction function exceeded the amount budgeted.

Note 2. Cash and Pooled Investments

The District's deposits in banks at June 30, 2013 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The District is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Education; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2013

Note 2. Cash and Pooled Investments (continued)

At June 30, 2013, the District had investments as follows:

	Amortized Cost/ Fair Value
Iowa Schools Joint Investment Trust, Diversified Portfolio	\$ 216,835
Money Market Mutual Funds	1,101,725
U.S. Treasury Notes	7,036,384
	\$ 8,354,944

The investments in the Iowa Schools Joint Investment Trust are valued at an amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940. The money market mutual funds and the U.S. Treasury notes are stated at fair value.

Credit Risk – The investment in the Iowa Schools Joint Investment Trust and the money market mutual funds were rated AAAM by Standard & Poor’s Financial Services.

Note 3. Interfund Transfers

The detail of interfund transfers for the year ended June 30, 2013 is as follows:

Transfer to	Transfer from	Amount
Debt Service	Capital Projects	\$ 1,244,409

Transfers generally move revenues from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 4. Capital Assets

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

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,578,566	\$ -	\$ -	\$ 1,578,566
Construction in progress	70,635	2,103,143	-	2,173,778
Total capital assets not being depreciated	<u>1,649,201</u>	<u>2,103,143</u>	<u>-</u>	<u>3,752,344</u>
Capital assets being depreciated:				
Buildings	51,353,372	75,364	-	51,428,736
Improvements other than buildings	3,499,528	26,692	-	3,526,220
Furniture and equipment	3,488,952	564,805	184,796	3,868,961
Total capital assets being depreciated	<u>58,341,852</u>	<u>666,861</u>	<u>184,796</u>	<u>58,823,917</u>
Less accumulated depreciation for:				
Buildings	6,218,048	1,027,698	-	7,245,746
Improvements other than buildings	850,042	156,830	-	1,006,872
Furniture and equipment	2,014,589	370,177	184,796	2,199,970
Total accumulated depreciation	<u>9,082,679</u>	<u>1,554,705</u>	<u>184,796</u>	<u>10,452,588</u>
Total capital assets being depreciated, net	<u>49,259,173</u>	<u>(887,844)</u>	<u>-</u>	<u>48,371,329</u>
Governmental activities capital assets, net	<u>\$ 50,908,374</u>	<u>\$ 1,215,299</u>	<u>\$ -</u>	<u>\$ 52,123,673</u>
Business-type activities:				
Furniture and equipment	\$ 694,458	\$ 54,411	\$ 3,058	\$ 745,811
Less accumulated depreciation	278,938	51,786	3,058	327,666
Business-type activities capital assets, net	<u>\$ 415,520</u>	<u>\$ 2,625</u>	<u>\$ -</u>	<u>\$ 418,145</u>

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 4. Capital Assets (continued)

Depreciation expense was charged to the following functions:

Governmental activities:	
Instruction	\$ 279,736
Support services:	
Administration	12,970
Operation and maintenance of plant	37,993
Transportation	<u>179,637</u>
	510,336
Unallocated depreciation	<u>1,044,369</u>
Total depreciation expense - governmental activities	<u>\$ 1,554,705</u>
Business-type activities:	
Food service operations	\$ 49,446
Daycare operations	<u>2,340</u>
Total depreciation expense - business-type activities	<u>\$ 51,786</u>

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 5. Long-Term Liabilities

Changes in long-term liabilities for the year ended June 30, 2013 are summarized as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
Termination benefits	\$ 530,243	\$ 138,697	\$ 238,617	\$ 430,323	\$ 166,298
General obligation bonds	23,235,000	7,150,000	1,725,000	28,660,000	2,680,000
Revenue bonds	11,170,000	2,625,000	740,000	13,055,000	605,000
Capital lease purchase agreement	-	214,448	73,851	140,597	69,140
Compensated absences	52,364	18,400	52,364	18,400	18,400
Net OPEB liability	159,000	84,000	-	243,000	-
Total	\$ 35,146,607	\$ 10,230,545	\$ 2,829,832	\$ 42,547,320	\$ 3,538,838

Termination Benefits

The District offers a voluntary early retirement plan to its employees. Eligible licensed employees must be at least age fifty-five and must have completed at least twelve years of full-time service to the District.

Eligible classified employees must be at least age fifty-five and must have completed at least thirty years of full-time service to the District. Employees must complete an application which is required to be approved by the Board of Education.

The early retirement cash stipend benefit for each eligible licensed employee is equal to 50% of the employee's base salary calculated by using the current year regular salary schedule, less any other additional pay. Early retirement cash stipend benefits will be paid into a 403b plan in three annual payments.

The early retirement insurance benefit for each eligible employee is the District's contribution to the retired employee's monthly health insurance premiums at the amount set by the master contract for a single policy, until the retiree is eligible for Medicare.

At June 30, 2013, the District has obligations to twenty-one participants with a total liability of \$430,323.

Actual early retirement expenditures for the year ended June 30, 2013 totaled \$238,617. The cost of early retirement payments is recorded as a long term liability of the Governmental Activities in the District-wide financial statements.

General Obligation Bonds Payable

On December 12, 2012, the District issued \$7,150,000 of refunding bonds with interest rates from 0.5% to 1.8% to partially refund the June 1, 2006 bonds with an interest rate of 4.75%. As a result of the crossover refunding, the District reduced its total debt service requirements over the life of the bonds by \$2,655,651, which resulted in a net present value economic gain of \$1,973,563.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 5. Long-Term Liabilities (continued)

General Obligation Bonds Payable (continued)

Details of the District's June 30, 2013 general obligation bonded indebtedness are as follows:

Year Ending June 30,	Bond Issue June 1, 2006			
	Interest Rates	Principal	Interest	Total
2014	- %	\$ -	\$ 684,450	\$ 684,450
2015	-	-	684,450	684,450
2016	-	-	684,450	684,450
2017	-	-	684,450	684,450
2018	-	-	684,450	684,450
2019-2023	4.625-4.750	8,315,000	2,717,025	11,032,025
2024-2026	4.750	6,170,000	594,462	6,764,462
		14,485,000	6,733,737	21,218,737

Year Ending June 30,	Bond Issue May 1, 2007			
	Interest Rates	Principal	Interest	Total
2014	3.80 %	\$ 910,000	\$ 252,513	\$ 1,162,513
2015	3.80	950,000	217,933	1,167,933
2016	3.80	1,410,000	181,832	1,591,832
2017	3.80	1,465,000	128,251	1,593,251
2018	3.80	1,520,000	72,583	1,592,583
2019	3.85	385,000	14,822	399,822
		6,640,000	867,934	7,507,934

Year Ending June 30,	Refunding Bond Issue May 29, 2012			
	Interest Rates	Principal	Interest	Total
2014	2.00 %	\$ 385,000	\$ 7,700	\$ 392,700

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 5. Long-Term Liabilities (continued)

General Obligation Bonds Payable (continued)

Year Ending June 30,	Refunding Bond Issue December 12, 2012			
	Interest Rates	Principal	Interest	Total
2014	0.50 %	\$ 1,385,000	\$ 128,589	\$ 1,513,589
2015	0.50	245,000	80,584	325,584
2016	0.50	245,000	79,358	324,358
2017	0.65	250,000	78,134	328,134
2018	0.80	250,000	76,508	326,508
2019-2023	1.00-1.50	1,775,000	343,796	2,118,796
2024-2025	1.65-1.80	3,000,000	69,000	3,069,000
		<u>7,150,000</u>	<u>855,969</u>	<u>8,005,969</u>
		<u>Total</u>		
Year Ending June 30,		Principal	Interest	Total
2014		\$ 2,680,000	\$ 1,073,252	\$ 3,753,252
2015		1,195,000	982,967	2,177,967
2016		1,655,000	945,640	2,600,640
2017		1,715,000	890,835	2,605,835
2018		1,770,000	833,541	2,603,541
2019-2023		10,475,000	3,075,643	13,550,643
2024-2026		9,170,000	663,462	9,833,462
		<u>\$ 28,660,000</u>	<u>\$ 8,465,340</u>	<u>\$ 37,125,340</u>

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 5. Long-Term Liabilities (continued)

Revenue Bonds

Details of the District's June 30, 2013 school infrastructure sales and services tax revenue bonded indebtedness are as follows:

Year Ending June 30,	Bond Issue June 1, 2009			
	Interest Rates	Principal	Interest	Total
2014	4.250 %	\$ 480,000	\$ 515,956	\$ 995,956
2015	4.250	400,000	497,256	897,256
2016	4.250	430,000	479,619	909,619
2017	4.250	440,000	461,131	901,131
2018	4.000	465,000	442,481	907,481
2019-2023	4.714-5.000	2,670,000	1,852,760	4,522,760
2024-2028	5.200-5.500	3,435,000	1,070,313	4,505,313
2029-2030	5.500-5.625	2,110,000	145,610	2,255,610
		<u>10,430,000</u>	<u>5,465,126</u>	<u>15,895,126</u>

Year Ending June 30,	Bond Issue October 1, 2012			
	Interest Rates	Principal	Interest	Total
2014	2.00 %	\$ 125,000	\$ 59,265	\$ 184,265
2015	2.00	140,000	56,615	196,615
2016	2.00	130,000	53,915	183,915
2017	2.00	140,000	51,215	191,215
2018	2.00	135,000	48,465	183,465
2019-2023	2.00-2.20	720,000	199,340	919,340
2024-2028	2.20-2.55	790,000	117,320	907,320
2029-2030	3.00	445,000	16,425	461,425
		<u>2,625,000</u>	<u>602,560</u>	<u>3,227,560</u>

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 5. Long-Term Liabilities (continued)

Revenue Bonds

Year Ending June 30,	Total		
	Principal	Interest	Total
2014	\$ 605,000	\$ 575,221	\$ 1,180,221
2015	540,000	553,871	1,093,871
2016	560,000	533,534	1,093,534
2017	580,000	512,346	1,092,346
2018	600,000	490,946	1,090,946
2019-2023	3,390,000	2,052,100	5,442,100
2024-2028	4,225,000	1,187,633	5,412,633
2029-2030	2,555,000	162,035	2,717,035
	<u>\$ 13,055,000</u>	<u>\$ 6,067,686</u>	<u>\$ 19,122,686</u>

The District pledged future school infrastructure (statewide) sales and services tax revenues to repay the \$12,505,000 and \$2,625,000 bonds issued in June 2009 and October 2012, respectively. The bonds were issued for the purpose of financing a portion of the costs of a new high school athletic complex and auditorium and an elementary school addition. The bonds are payable solely from the proceeds of the school infrastructure (statewide) sales and services tax revenues received by the District and are payable through 2030. The bonds are not a general obligation of the District and the debt is not subject to the constitutional debt limit of the District. Annual principal and interest payments on the bonds are expected to require approximately 80 to 120 percent of the school infrastructure (statewide) sales and services tax revenues. The total principal and interest remaining to be paid on the bonds is \$19,122,686. For the current year, principal of \$740,000 and interest of \$557,010 was paid on the bonds and total statewide sales and services tax revenues were \$1,337,035.

The resolutions providing for the issuance of the school infrastructure sales and services tax revenue bonds include the following provisions:

- (a) The bonds will be redeemed from the future earnings of the school infrastructure sales and services tax revenues received by the District and the bond holders hold a lien on the future revenues received.
- (b) Reserves will be maintained in the amounts of \$1,250,500 and \$198,015 to be used solely for the purpose of paying principal and interest in the event the funds available within the sinking funds are not sufficient for that purpose.
- (c) Sufficient monthly deposits amounting to one twelfth of the next principal payment and one sixth of the next interest payment shall be made to the sinking funds for the purpose of making the bond principal and interest payments when due.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 5. Long-Term Liabilities (continued)

Revenue Bonds (continued)

- (d) Any monies remaining in the revenue funds after the required transfer to the sinking funds may be transferred to the project fund to be used for any lawful purpose.

Capital Lease Purchase Agreement

During the year ended June 30, 2013, the District entered into an agreement for the lease purchase of computers and computer equipment totaling \$214,448. The agreement provides for three annual payments of \$73,850.50 in July and includes interest at 3.35%.

Details of the District's June 30, 2013 capital lease purchase agreement indebtedness are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 69,140	\$ 4,710	\$ 73,850
2015	71,457	2,394	73,851
	<u>\$ 140,597</u>	<u>\$ 7,104</u>	<u>\$ 147,701</u>

Total payments on capital lease purchase agreements for the year ended June 30, 2013 were \$73,851.

Note 6. Other Postemployment Benefits (OPEB)

Plan Description – The District operates a single-employer retiree benefit plan which provides medical and prescription drug benefits for retirees and their spouses. There are 173 active and 21 retired members in the plan. Retired participants must be age 55 or older at retirement.

The medical/prescription drug coverage is provided through a fully-insured plan with Wellmark. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy and an OPEB liability.

Funding Policy – The contribution requirements of plan members are established and may be amended by the District. The District currently finances the retiree benefit plan on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation – The District's annual OPEB cost is calculated based on the annual required contribution (ARC) of the District, an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 6. Other Postemployment Benefits (OPEB) (continued)

The following table shows the components of the District's annual OPEB cost for the year ended June 30, 2013, the amount actually contributed to the plan and changes in the District's net OPEB obligation:

Annual required contribution	\$	115,000
Interest on net OPEB obligation		4,000
Adjustment to annual required contribution		<u>(13,000)</u>
Annual OPEB cost		106,000
Contributions made		<u>(22,000)</u>
Increase in net OPEB obligation		84,000
Net OPEB obligation beginning of year		<u>159,000</u>
Net OPEB obligation end of year	\$	<u><u>243,000</u></u>

For calculation of the net OPEB obligation, the actuary has set the transition day as July 1, 2009. The end of year net OPEB obligation was calculated by the actuary as the cumulative difference between the actuarially determined funding requirements and the actual contributions for the year ended June 30, 2013.

For the year ended June 30, 2013, the District contributed \$22,000 to the medical plan.

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation are summarized as follows:

<u>Year Ended June 30,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2011	\$ 66,000	22.7%	\$ 104,000
2012	72,000	23.6%	159,000
2013	106,000	20.8%	243,000

Funded Status and Funding Progress – As of July 1, 2012, the most recent actuarial valuation date for the period July 1, 2012 through June 30, 2013, the actuarial accrued liability was \$690,000, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$690,000. The covered payroll (annual payroll of active employees covered by the plan) was approximately \$10,966,000, and the ratio of the UAAL to covered payroll was 6.3%. As of June 30, 2013, there were no trust fund assets.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 6. Other Postemployment Benefits (OPEB) (continued)

Actuarial Methods and Assumptions – Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information in the section following the Notes to Financial Statements, will present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the plan as understood by the employer and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As of the July 1, 2012 actuarial valuation date, the entry age actuarial cost method was used. The actuarial assumptions include a 2.5% discount rate based on the District’s funding policy. The projected annual medical trend rate is 6%.

Mortality rates are from the 94 Group Annuity Mortality Table projected to 2000, applied on a 2/3 female, 1/3 male basis. The UAAL is being amortized as a level dollar cost over service of the group on a closed basis over 30 years.

Note 7. Operating Lease

The District is obligated under a copier equipment lease accounted for as an operating lease. Operating leases do not give rise to property rights or lease obligations and, therefore, are not reflected on the District’s Statement of Net Position. The agreement provides for monthly lease payments of \$2,102.46, with annual increases during the term of the lease.

The total lease payments under the lease agreement are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Amount</u>
2014	\$ 25,230
2015	25,230
2016	25,230
2017	25,230
2018	<u>2,102</u>
	<u>\$ 103,022</u>

Total payments under the lease agreement for the year ended June 30, 2013 were \$23,212.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 8. Pension and Retirement Benefits

The District contributes to the Iowa Public Employees Retirement System (IPERS), which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa 50306-9117.

Plan members are required to contribute 5.78% of their annual covered salary and the District is required to contribute 8.67% of annual covered payroll for the year ended June 30, 2013. Contribution requirements are established by State statute. The District's contributions to IPERS for the years ended June 30, 2013, 2012, and 2011 were \$950,920, \$713,862, and \$654,859, respectively, equal to the required contributions for each year.

Note 9. Risk Management

Clear Creek Amana Community School District is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The District assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 10. Area Education Agency

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the area education agency. The District's actual amount for this purpose totaled \$614,099 for the year ended June 30, 2013 and is recorded in the General Fund by making a memorandum adjusting entry to the cash basis financial statements.

Note 11. Categorical Funding

The District's fund balance restricted for categorical funding at June 30, 2013 is comprised of the following programs:

<u>Program</u>	<u>Amount</u>
Home school assistance program	\$ 42,969
Gifted and talented programs	117,754
Returning dropouts and dropout prevention programs	552,216
Four year old preschool state aid	206,694
Teacher salary supplement	99,789
Iowa early intervention block grant	8,034
Professional development for model core curriculum	73,715
Professional development	<u>4,187</u>
 Total	 \$ <u><u>1,105,358</u></u>

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 12. Construction Commitments

The District has entered into various contracts totaling \$2,489,900 for an elementary school addition and an elementary school roof project. As of June 30, 2013, costs of \$1,907,124 had been incurred against the contracts. The balance of \$582,776 remaining at June 30, 2013 will be paid as work on the projects progresses.

Note 13. Contingency

The District has one ongoing lawsuit. The District's insurance carrier is providing coverage for the lawsuit. The outcome of the case cannot be determined at this time.

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Required Supplementary Information

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

Budgetary Comparison Schedule of Revenues, Expenditures/Expenses and Changes in Balances –
Budget and Actual – All Governmental Funds and Proprietary Funds

Required Supplementary Information

Year Ended June 30, 2013

	Governmental Funds - Actual	Proprietary Funds - Actual	Total Actual	Budgeted Amounts		Final to Actual Variance
				Original	Final	
REVENUES:						
Local sources	\$ 14,566,859	\$ 1,031,309	\$ 15,598,168	\$ 18,091,841	\$ 18,091,841	\$ (2,493,673)
State sources	7,916,632	14,289	7,930,921	7,990,417	7,990,417	(59,496)
Federal sources	923,838	334,006	1,257,844	645,000	645,000	612,844
Total revenues	23,407,329	1,379,604	24,786,933	26,727,258	26,727,258	(1,940,325)
EXPENDITURES/EXPENSES:						
Instruction	11,858,789	-	11,858,789	10,695,000	11,735,000	(123,789)
Support services	6,446,079	21,355	6,467,434	6,606,500	6,950,000	482,566
Non-instructional programs	6,286	1,342,856	1,349,142	1,450,000	1,450,000	100,858
Other expenditures	7,202,731	-	7,202,731	8,308,184	8,308,184	1,105,453
Total expenditures/expenses	25,513,885	1,364,211	26,878,096	27,059,684	28,443,184	1,565,088
Excess (deficiency) of revenues over (under) expenditures/ expenses	(2,106,556)	15,393	(2,091,163)	(332,426)	(1,715,926)	(375,237)
Other financing sources, net	10,025,073	-	10,025,073	-	-	10,025,073
Excess (deficiency) of revenues and other financing sources over (under) expenditures/ expenses	7,918,517	15,393	7,933,910	(332,426)	(1,715,926)	9,649,836
Balance beginning of year	9,261,074	949,590	10,210,664	8,456,458	8,456,458	1,754,206
Balance end of year	<u>\$ 17,179,591</u>	<u>\$ 964,983</u>	<u>\$ 18,144,574</u>	<u>\$ 8,124,032</u>	<u>\$ 6,740,532</u>	<u>\$ 11,404,042</u>

See accompanying independent auditor's report.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGETARY REPORTING
Year Ended June 30, 2013

This budgetary comparison is presented as Required Supplementary Information in accordance with Governmental Accounting Standards Board Statement No. 41 for governments with significant budgetary perspective differences resulting from not being able to present budgetary comparisons for the General Fund and each major Special Revenue Fund.

In accordance with the Code of Iowa, the Board of Education annually adopts a budget following required public notice and hearing for all funds except internal service, private-purpose trust and agency funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is prepared on a GAAP basis.

Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functions, not by fund or fund type. These four functions are instruction, support services, non-instructional programs and other expenditures. Although the budget document presents function expenditures or expenses by fund, the legal level of control is at the aggregated function level, not by fund. The Code of Iowa also provides that District expenditures in the General Fund may not exceed the amount authorized by the school finance formula. During the year, the District adopted one budget amendment increasing budgeted expenditures by \$1,383,500.

During the year ended June 30, 2013, expenditures in the instruction function exceeded the amount budgeted.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

SCHEDULE OF FUNDING PROGRESS FOR THE RETIREE HEALTH PLAN
(In Thousands)

Required Supplementary Information
Year Ended June 30, 2013

Year Ended June 30,	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2010	July 1, 2009	\$ -	\$ 479	\$ 479	0.0%	\$ 9,177	5.2%
2011	July 1, 2009	-	475	475	0.0%	9,423	5.0%
2012	July 1, 2009	-	459	459	0.0%	10,105	4.5%
2013	July 1, 2012	-	690	690	0.0%	10,966	6.3%

See note 6 in the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPEB Cost and Net OPEB Obligation, funded status and funding progress.

See accompanying independent auditor's report.

Supplementary Information

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2013

	Special Revenue			Total
	Management Levy	Student Activity	Library	
Assets				
Cash and pooled investments	\$ 816,211	\$ 193,150	\$ 95,845	\$ 1,105,206
Receivables:				
Property tax:				
Current year	4,874	-	129	5,003
Succeeding year	946,839	-	26,924	973,763
Accounts	-	540	-	540
Due from other governments	-	270	35	305
Total assets	\$ 1,767,924	\$ 193,960	\$ 122,933	\$ 2,084,817
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 3,072	\$ 1,072	\$ 4,144
Salaries and benefits payable	-	-	5,269	5,269
Deferred revenue:				
Succeeding year property tax	946,839	-	26,924	973,763
Total liabilities	946,839	3,072	33,265	983,176
Fund balances:				
Restricted for:				
Management levy purposes	821,085	-	-	821,085
Student activities	-	190,888	-	190,888
Library purposes	-	-	89,668	89,668
Total fund balances	821,085	190,888	89,668	1,101,641
Total liabilities and fund balances	\$ 1,767,924	\$ 193,960	\$ 122,933	\$ 2,084,817

See accompanying independent auditor's report.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year Ended June 30, 2013

	Special Revenue			Total
	Management Levy	Student Activity	Library	
Revenues:				
Local sources:				
Local tax	\$ 979,096	\$ -	\$ 24,144	\$ 1,003,240
Other	22,467	267,658	36,644	326,769
State sources	293	-	1,253	1,546
Total revenues	<u>1,001,856</u>	<u>267,658</u>	<u>62,041</u>	<u>1,331,555</u>
Expenditures:				
Current:				
Instruction	61,570	275,661	-	337,231
Support services:				
Student	-	-	21,967	21,967
Instructional staff	-	230	-	230
Administration	296,426	-	49,264	345,690
Operation and maintenance of plant	124,590	2,987	-	127,577
Transportation	32,106	-	-	32,106
Non-instructional programs	6,286	-	-	6,286
Total expenditures	<u>520,978</u>	<u>278,878</u>	<u>71,231</u>	<u>871,087</u>
Net change in fund balances	480,878	(11,220)	(9,190)	460,468
Fund balances beginning of year	<u>340,207</u>	<u>202,108</u>	<u>98,858</u>	<u>641,173</u>
Fund balances end of year	<u>\$ 821,085</u>	<u>\$ 190,888</u>	<u>\$ 89,668</u>	<u>\$ 1,101,641</u>

See accompanying independent auditor's report.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

COMBINING BALANCE SHEET
CAPITAL PROJECTS ACCOUNTS
June 30, 2013

	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Total
Assets			
Cash and pooled investments	\$ 2,495,005	\$ 638,397	\$ 3,133,402
Receivables:			
Property tax:			
Current year	-	2,155	2,155
Succeeding year	-	669,205	669,205
Income surtax	-	268,701	268,701
Accounts	-	189	189
Due from other governments	216,742	-	216,742
 Total assets	 \$ 2,711,747	 \$ 1,578,647	 \$ 4,290,394
 Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 121,159	\$ 24,238	\$ 145,397
Deferred revenue:			
Succeeding year property tax	-	669,205	669,205
Other	-	268,701	268,701
Total liabilities	121,159	962,144	1,083,303
 Fund balances:			
Restricted for:			
Revenue bonds	1,448,515	-	1,448,515
School infrastructure	1,142,073	-	1,142,073
Physical plant and equipment	-	616,503	616,503
Total fund balances	2,590,588	616,503	3,207,091
 Total liabilities and fund balances	 \$ 2,711,747	 \$ 1,578,647	 \$ 4,290,394

See accompanying independent auditor's report.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

CAPITAL PROJECTS ACCOUNTS

Year Ended June 30, 2013

	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Total
Revenues:			
Local sources:			
Local tax	\$ 1,337,035	\$ 945,834	\$ 2,282,869
Other	3,006	432	3,438
State sources	-	127	127
Total revenues	<u>1,340,041</u>	<u>946,393</u>	<u>2,286,434</u>
Expenditures:			
Current:			
Instruction	-	256,310	256,310
Support services:			
Instructional staff	-	123,382	123,382
Operation and maintenance of plant	-	95,585	95,585
Transportation	-	214,066	214,066
Other expenditures:			
Facilities acquisition	2,113,188	262,686	2,375,874
Long term debt:			
Interest and fiscal charges	55,156	-	55,156
Total expenditures	<u>2,168,344</u>	<u>952,029</u>	<u>3,120,373</u>
Deficiency of revenues under expenditures	(828,303)	(5,636)	(833,939)
Other financing sources (uses):			
Compensation for loss of capital assets	-	8,537	8,537
Revenue bonds issued	2,625,000	-	2,625,000
Premium on bonds issued	26,012	-	26,012
Execution of capital lease	-	214,448	214,448
Interfund transfers out	(1,170,559)	(73,850)	(1,244,409)
Total other financing sources (uses)	<u>1,480,453</u>	<u>149,135</u>	<u>1,629,588</u>
Net change in fund balances	652,150	143,499	795,649
Fund balances beginning of year	<u>1,938,438</u>	<u>473,004</u>	<u>2,411,442</u>
Fund balances end of year	<u>\$ 2,590,588</u>	<u>\$ 616,503</u>	<u>\$ 3,207,091</u>

See accompanying independent auditor's report.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

COMBINING SCHEDULE OF NET POSITION
NONMAJOR ENTERPRISE FUNDS

June 30, 2013

	<u>Daycare</u>	<u>Public Pool</u>	<u>Total</u>
Assets			
Current assets:			
Cash and investments	\$ 290,934	\$ 11,577	\$ 302,511
Accounts receivable	3,859	4,190	8,049
Due from other governments	2,161	-	2,161
Total current assets	<u>296,954</u>	<u>15,767</u>	<u>312,721</u>
Noncurrent assets:			
Capital assets, net of accumulated depreciation	44,459	-	44,459
Total assets	<u>341,413</u>	<u>15,767</u>	<u>357,180</u>
Liabilities			
Current liabilities:			
Accounts payable	5,351	661	6,012
Salaries and benefits payable	27,798	5,687	33,485
Total current liabilities	<u>33,149</u>	<u>6,348</u>	<u>39,497</u>
Net Position			
Net investment in capital assets	44,459	-	44,459
Unrestricted	263,805	9,419	273,224
Total net position	<u>\$ 308,264</u>	<u>\$ 9,419</u>	<u>\$ 317,683</u>

See accompanying independent auditor's report.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 NONMAJOR ENTERPRISE FUNDS
 Year Ended June 30, 2013

	<u>Daycare</u>	<u>Public Pool</u>	<u>Total</u>
Operating revenues:			
Local sources:			
Charges for services	\$ 403,279	\$ 30,620	\$ 433,899
Operating expenses:			
Support services:			
Administration	180	-	180
Operation and maintenance of plant	-	5,302	5,302
Transportation	628	-	628
Non-instructional programs	377,431	37,510	414,941
	<u>378,239</u>	<u>42,812</u>	<u>421,051</u>
Operating income (loss)	25,040	(12,192)	12,848
Non-operating revenues:			
Interest on investments	41	20	61
State sources	6,619	-	6,619
Federal sources	10,331	-	10,331
Total non-operating revenues	<u>16,991</u>	<u>20</u>	<u>17,011</u>
Change in net position	42,031	(12,172)	29,859
Net position beginning of year	<u>266,233</u>	<u>21,591</u>	<u>287,824</u>
Net position end of year	<u>\$ 308,264</u>	<u>\$ 9,419</u>	<u>\$ 317,683</u>

See accompanying independent auditor's report.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

COMBINING SCHEDULE OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
Year Ended June 30, 2013

	<u>Daycare</u>	<u>Public Pool</u>	<u>Total</u>
Cash flows from operating activities:			
Cash received from miscellaneous operating activities	\$ 399,420	\$ 29,415	\$ 428,835
Cash payments to employees for services	(313,500)	(24,978)	(338,478)
Cash payments to suppliers for goods or services	(53,306)	(18,712)	(72,018)
Net cash provided by (used by) operating activities	<u>32,614</u>	<u>(14,275)</u>	<u>18,339</u>
Cash flows from non-capital financing activities:			
State grants received	4,700	-	4,700
Federal grants received	10,331	-	10,331
Net cash provided by non-capital financing activities	<u>15,031</u>	<u>-</u>	<u>15,031</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(46,799)	-	(46,799)
Cash flows from investing activities:			
Interest on investments	41	20	61
Net increase (decrease) in cash and cash equivalents	887	(14,255)	(13,368)
Cash and cash equivalents beginning of year	<u>290,047</u>	<u>25,832</u>	<u>315,879</u>
Cash and cash equivalents end of year	<u>\$ 290,934</u>	<u>\$ 11,577</u>	<u>\$ 302,511</u>
Reconciliation of operating income (loss) to net cash provided by (used by) operating activities:			
Operating income (loss)	\$ 25,040	\$ (12,192)	\$ 12,848
Adjustments to reconcile operating income (loss) to net cash provided by (used by) operating activities:			
Depreciation	2,340	-	2,340
(Increase) in accounts receivable	(3,859)	(1,205)	(5,064)
Increase (decrease) in accounts payable	3,129	(813)	2,316
Increase (decrease) in salaries and benefits payable	5,964	(65)	5,899
Net cash provided by (used by) operating activities	<u>\$ 32,614</u>	<u>\$ (14,275)</u>	<u>\$ 18,339</u>

See accompanying independent auditor's report.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

SCHEDULE OF CHANGES IN SPECIAL REVENUE FUND, STUDENT ACTIVITY ACCOUNTS
Year Ended June 30, 2013

Account	Balance Beginning of Year	Revenues	Expenditures	Balance End of Year
HS Drama	\$ 3,680	\$ 1,672	\$ 815	\$ 4,537
MS Drama	958	441	355	1,044
HS Musical	7,267	6,986	6,090	8,163
MS Show Choir	270	-	-	270
HS Jazz Band	1,637	1,050	1,861	826
HS Athletics	91,030	144,172	158,501	76,701
MS Athletics	-	8,247	8,247	-
HS Cheerleading	-	3,037	1,280	1,757
MS Cheerleading	866	-	-	866
HS Yearbook	29,229	22,275	23,240	28,264
HS Art Club	2,496	6,320	7,780	1,036
MS Art Club	78	-	-	78
Robotics Club	750	50	-	800
National Honor Society	1,645	1,349	1,095	1,899
HS Safe Club	171	60	70	161
HS Student Assistance Team	420	990	831	579
HS Spanish Club	613	-	-	613
HS Student Council	3,573	10,765	7,918	6,420
MS Student Council	10,955	15,778	18,334	8,399
Government Club	2,355	695	1,985	1,065
HS Weight Club	2,632	1,748	973	3,407
HS Win With Wellness	342	322	346	318
HS Pom Squad	6,004	6,914	6,396	6,522
HS Student Fundraiser	1,733	1,001	1,000	1,734
MS Student Fundraiser	4,838	180	499	4,519
Amana Fundraising	133	-	-	133
HS Transitions Students Fundraiser	226	1,501	1,188	539
Class of 2011	2,435	-	2,435	-
Class of 2012	3,619	-	3,619	-
Class of 2013	5,016	905	3,999	1,922
Class of 2014	1,000	18,218	10,489	8,729
Class of 2015	1,000	2,018	-	3,018
Class of 2016	-	2,018	-	2,018
MS Bigger Faster Stronger Club	215	-	210	5
HS Concessions	14,896	8,296	8,672	14,520
MS Athletic Fundraiser/Concessions	26	-	-	26
MS Library Fundraiser	-	15	15	-
Interest	-	635	635	-
Total	\$ 202,108	\$ 267,658	\$ 278,878	\$ 190,888

See accompanying independent auditor's report.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

SCHEDULE OF REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION

ALL GOVERNMENTAL FUNDS
FOR THE LAST NINE YEARS

	Modified Accrual Basis Years Ended June 30,			
	2013	2012	2011	2010
Revenues:				
Local sources:				
Local tax	\$ 12,175,812	\$ 11,685,859	\$ 11,183,865	\$ 10,763,604
Tuition	1,799,996	1,649,034	1,539,521	1,357,176
Other	591,051	734,165	706,475	797,538
State sources	7,916,632	7,818,771	6,932,174	5,506,741
Federal sources	923,838	815,255	774,172	1,077,779
Total revenues	<u>\$ 23,407,329</u>	<u>\$ 22,703,084</u>	<u>\$ 21,136,207</u>	<u>\$ 19,502,838</u>
Expenditures:				
Instruction	\$ 11,858,789	\$ 10,212,561	\$ 9,562,898	\$ 9,080,537
Support services:				
Student	341,656	325,023	307,927	379,260
Instructional staff	1,039,053	696,187	684,850	628,140
Administration	2,302,065	2,145,647	1,970,156	1,767,268
Operation and maintenance of plant	1,665,681	1,466,650	1,482,470	1,563,413
Transportation	1,097,624	866,450	752,961	755,626
Non-instructional programs	6,286	4,975	-	-
Other expenditures:				
Facilities acquisition	2,375,874	610,937	1,260,829	10,520,006
Long-term debt:				
Principal	2,538,851	3,241,861	1,945,384	1,215,529
Interest and fiscal charges	1,673,907	1,645,376	1,713,750	1,502,835
AEA flowthrough	614,099	586,165	597,803	564,144
Total expenditures	<u>\$ 25,513,885</u>	<u>\$ 21,801,832</u>	<u>\$ 20,279,028</u>	<u>\$ 27,976,758</u>

See accompanying independent auditor's report.

	2009	2008	2007	2006	2005
\$	9,920,491	\$ 9,877,435	\$ 7,005,106	\$ 5,563,759	\$ 4,668,747
	1,130,035	894,697	843,785	864,055	831,045
	1,368,218	1,649,981	1,657,083	622,669	490,905
	6,502,677	6,481,142	5,726,397	5,486,156	5,262,267
	549,496	625,576	524,561	315,725	299,347
\$	<u>19,470,917</u>	<u>19,528,831</u>	<u>15,756,932</u>	<u>12,852,364</u>	<u>11,552,311</u>
\$	9,312,449	\$ 8,442,875	\$ 7,867,766	\$ 7,349,809	\$ 7,386,489
	315,732	253,504	238,943	221,792	212,790
	826,405	523,684	606,214	494,515	471,945
	1,544,313	1,483,939	1,545,928	1,269,213	935,683
	1,379,802	1,196,637	1,271,048	1,143,662	1,099,448
	850,761	836,655	745,477	669,869	665,794
	9,508	110,589	-	31,086	21,792
	14,300,272	16,440,617	2,365,508	466,890	223,868
	997,504	1,285,883	549,171	470,000	450,000
	1,345,110	1,225,102	816,347	146,439	164,629
	496,524	467,919	433,596	388,998	370,505
\$	<u>31,378,380</u>	<u>32,267,404</u>	<u>16,439,998</u>	<u>12,652,273</u>	<u>12,002,943</u>

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2013

Grantor / Program	CFDA Number	Grant Number	Expenditures
Direct:			
U. S. Department of Education:			
Impact Aid	84.041	FY 13	\$ <u>105,168</u>
Fund for the Improvement of Education	84.215	FY 13	<u>202,358</u>
Indirect:			
U. S. Department of Agriculture:			
Iowa Department of Education:			
Child Nutrition Cluster Programs:			
School Breakfast Program	10.553	FY 13	35,239
National School Lunch Program	10.555	FY 13	<u>288,383</u> *
			<u>323,622</u>
Child and Adult Care Food Program	10.558	FY 13	<u>6,451</u>
Team Nutrition Grants	10.574	FY 13	<u>53</u>
U. S. Department of Education:			
Iowa Department of Education:			
Title I Grants to Local Educational Agencies	84.010	1221G FY 13	70,115
Title I Grants to Local Educational Agencies	84.010	1221GC FY 13	<u>71,354</u>
			<u>141,469</u>
Career and Technical Education - Basic Grants to States	84.048	FY 13	<u>256</u> **
Safe and Drug-Free Schools and Communities - National Programs	84.184	FY 12	<u>1,636</u>
Improving Teacher Quality State Grants	84.367	FY 13	<u>29,828</u>
Grants for State Assessments and Related Activities	84.369	FY 12	5,150
Grants for State Assessments and Related Activities	84.369	FY 13	<u>11,232</u>
			<u>16,382</u>
Grant Wood Area Education Agency:			
Special Education - Grants to States	84.027	FY 13	<u>78,789</u>
Career and Technical Education - Basic Grants to States	84.048	FY 13	<u>4,519</u> **

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2013

Grantor / Program	CFDA Number	Grant Number	Expenditures
Indirect (continued):			
U. S. Department of Education (continued):			
University of Iowa:			
Education Research, Development and Dissemination	84.305	FY 12	\$ 7,354
Education Research, Development and Dissemination	84.305	FY 13	<u>6,000</u>
			<u>13,354</u>
U. S. Department of Health and Human Services:			
Iowa County Empowerment Board:			
Temporary Assistance for Needy Families	93.558	FY 13	<u>3,880</u>
Iowa Department of Education:			
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	93.938	FY 12	867
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	93.938	FY 13	<u>110</u>
			<u>977</u>
Total			<u>\$ 928,742</u>

* = Includes \$49,573 of non-cash awards.

** = Total for CFDA number 84.048 = \$4,775.

Basis of Presentation –

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Clear Creek Amana Community School District and is presented on the accrual or modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

See accompanying independent auditor's report.

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

To the Board of Education of
Clear Creek Amana Community School District:

We have audited in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Clear Creek Amana Community School District as of and for the year ended June 30, 2013, and the related notes to financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated February 10, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Clear Creek Amana Community School District's internal control over financial reporting to determine the audit procedures 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 Clear Creek Amana Community School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Clear Creek Amana Community School District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified a deficiency in internal control over financial reporting we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiency in internal control described in Part II of the accompanying Schedule of Findings and Questioned Costs as item II-A-13 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Clear Creek Amana Community School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance or other matters that are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2013 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the District. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Clear Creek Amana Community School District's Responses to Findings

Clear Creek Amana Community School District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Clear Creek Amana Community School District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 result of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Clear Creek Amana Community School District during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

Oskaloosa, Iowa
February 10, 2014

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM,
ON INTERNAL CONTROL OVER COMPLIANCE AND ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133

To the Board of Education of
Clear Creek Amana Community School District:

Report on Compliance for Each Major Federal Program

We have audited Clear Creek Amana Community School District's compliance with the types of compliance requirements described in U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2013. Clear Creek Amana Community School District's major federal programs are identified in Part I of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Clear Creek Amana Community School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

The management of Clear Creek Amana Community School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Clear Creek Amana Community School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures appropriate in the circumstances for the purpose of expressing an opinion on compliance

for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Clear Creek Amana Community School District's internal control over compliance.

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

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

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

Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of Clear Creek Amana Community School District as of and for the year ended June 30, 2013, and have issued our report dated February 10, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Oskaloosa, Iowa
February 10, 2014

Hunt + Associates, P.C.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2013

Part I: Summary of the Independent Auditor's Results:

- (a) Unmodified opinions were issued on the financial statements.
- (b) A material weakness in internal control over financial reporting was disclosed by the audit of the financial statements.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No material weaknesses in internal control over major programs were disclosed by the audit of the financial statements.
- (e) An unmodified opinion was issued on compliance with requirements applicable to each major program.
- (f) The audit disclosed no audit findings which were required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- (g) Major programs were as follows:
 - Clustered programs:
 - CFDA Number 10.553 – School Breakfast Program
 - CFDA Number 10.555 – National School Lunch Program
 - CFDA Number 84.215 – Fund for the Improvement of Education
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (i) Clear Creek Amana Community School District did not qualify as a low-risk auditee.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2013

Part II: Findings Related to the Basic Financial Statements:

Instances of Non-Compliance:

No matters were reported.

Internal Control Deficiencies:

II-A-13 Bank Reconciliation – We noted that bank reconciliations were prepared for each bank account but not for the Bankers Trust revenue bond accounts. This led to unrecorded transactions that were undetected. We noted unrecorded revenue bond payments of \$278,207, unrecorded interest income of \$8,234, and unrecorded interfund transfers of \$48,179. Adjusting journal entries have been made to the general ledger to record and correct these items.

Recommendation – All accounts, including the Bankers Trust revenue bond accounts, should be reconciled and tied to the general ledger each month. Any differences should be investigated and corrected. This would allow the District to timely detect and correct errors or omissions and would provide accurate and reliable financial information of the District throughout the year for the Board of Education’s management decisions.

Response – Bank reconciliations for all accounts will be tied to the general ledger in the future. Any differences will be investigated and corrected timely.

Conclusion – Response accepted.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2013

Part III: Findings and Questioned Costs for Federal Awards

Instances of Non-Compliance:

No matters were reported.

Internal Control Deficiencies:

No matters were reported.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2013

Part IV: Other Findings Related to Statutory Reporting:

IV-A-13 Certified Budget – Expenditures for the year ended June 30, 2013, exceeded the amount budgeted in the instruction function.

Recommendation – The certified budget should have been amended in accordance with Chapter 24.9 of the Code of Iowa before expenditures were allowed to exceed the budget.

Response – We will amend our budget in sufficient amounts before expenditures exceed the budget in the future. The budget was exceeded due to the computer capital lease purchase agreement.

Conclusion – Response accepted.

IV-B-13 Questionable Expenditures – No expenditures we believe may not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979 were noted.

IV-C-13 Travel Expense – No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.

IV-D-13 Business Transactions – Business transactions between the District and District officials or employees are detailed as follows:

<u>Name, Title and Business Connection</u>	<u>Transaction Description</u>	<u>Amount</u>
Rick Hergert, Board Vice-President	Athletic officiating	\$358 (a)
Bob Broghammer, Board Member	Assistant football coach wages	\$2,500 (a)
Emily Broghammer, Daughter of Board Member	Daycare assistant wages	\$2,236 (b)
Mary Swenka, Mother of Board Member	Substitute teacher wages	\$15,158 (b)
Don Schneider, Bus Driver Owner of Golden Touch Power Cleaning	Vehicle washes	\$6,520 (c)

In accordance with Chapter 279.7A of the Code of Iowa, the transactions designated with an (a) do not appear to represent any conflict of interest since the cumulative amount for each Board Member does not exceed \$2,500 for the fiscal year.

In accordance with an Attorney General’s opinion dated November 9, 1976, the transactions designated with a (b) do not appear to represent any conflict of interest.

In accordance with Chapter 279.7A of the Code of Iowa, the transactions designated with a (c) do not appear to represent any conflict of interest.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2013

Part IV: Other Findings Related to Statutory Reporting (continued):

- IV-E-13 Bond Coverage – Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that the coverage is adequate for current operations.
- IV-F-13 Board Minutes – No transactions requiring Board approval which had not been approved by the Board were noted.
- IV-G-13 Certified Enrollment – No variances in the basic enrollment data certified to the Iowa Department of Education were noted.
- IV-H-13 Supplementary Weighting – No variances regarding the supplementary weighting certified to the Iowa Department of Education were noted.
- IV-I-13 Deposits and Investments – At June 30, 2013, the District had investments in U.S. Treasury Notes and two money market mutual funds, which are not allowable investments under its investment policy.

Recommendation – The District should either update the investment policy to allow U.S. Treasury Notes and money market mutual funds or transfer the investments to an allowable investment.

Response – We will transfer the money market mutual funds accounts to an allowable investment and update our policy to allow the U.S. Treasury Notes in the refunded bond escrow account.

Conclusion – Response accepted.

- IV-J-13 Certified Annual Report – The Certified Annual Report was certified to the Iowa Department of Education timely and we noted no significant deficiencies in the amounts reported.
- IV-K-13 Categorical Funding – No instances were noted of categorical funding being used to supplant rather than supplement other funds.

CLEAR CREEK AMANA COMMUNITY SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2013

Part IV: Other Findings Related to Statutory Reporting (continued):

IV-L-13 Statewide Sales and Services Tax – No instances of non-compliance with the allowable uses of the statewide sales, services and use tax revenue provided in Chapter 423F.3 of the Code of Iowa were noted.

Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales, services and use tax revenue. Districts are required to include these reporting elements in the Certified Annual Report (CAR) submitted to the Iowa Department of Education. For the year ended June 30, 2013, the District reported the following information regarding the statewide sales, services and use tax revenue in the District’s CAR:

Beginning balance		\$	1,938,438
Revenues:			
Sales tax revenues	\$	1,337,035	
Interest		3,006	
Issuance of long-term debt		<u>2,651,012</u>	3,991,053
Expenditures/transfers out:			
School infrastructure construction		2,113,188	
Other		55,156	
Transfers to other funds:			
Debt Service Fund		<u>1,170,559</u>	<u>3,338,903</u>
Ending balance		\$	<u><u>2,590,588</u></u>

For the year ended June 30, 2013, the District did not reduce any levies as a result of the moneys received under Chapter 423E or 423F of the Code of Iowa.