

Coopersville Area Public Schools



*We inspire all students to embrace a lifelong love of learning, to achieve their goals
and to be compassionate citizens who contribute to the global community.*

Annual Financial Report

Year Ended June 30, 2009



BDO Seidman, LLP
Accountants and Consultants



**Coopersville Area Public
Schools**

Annual Financial Report
Year Ended June 30, 2009

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Coopersville Area Public Schools

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Coopersville Area Public Schools

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Coopersville Area Public Schools

Board of Education and Appointed Officials June 30, 2009

Board of Education

President	Lori Rander
Vice President	Ira Engeltjes
Secretary	Lyn VanSickle
Treasurer	Carol Olthoff
Trustee	Tim Postma
Trustee	Stacey Snyder
Trustee	Dick Holman

Appointed Officials

Superintendent	Kevin R. O'Neill
Director of Finance	Catherine L. Kloska
Board of Education Administrative Assistant	Heather D. Gibbons

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Independent Auditors' Report

Board of Education
Coopersville Area Public Schools
Coopersville, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Coopersville Area Public Schools (the District) as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements. These financial statements are the responsibility of the management of the District. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Coopersville Area Public Schools at June 30, 2009, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 30, 2009, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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* and should be considered in assessing the results of our audit.

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Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards as required by OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and the combining, individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of Coopersville Area Public Schools. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

A handwritten signature in black ink that reads "BDO Seidman, LLP". The signature is written in a cursive, flowing style.

Grand Rapids, Michigan
September 30, 2009

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Management's Discussion and Analysis

Coopersville Area Public Schools (the District) is located in Ottawa County, Michigan. The accompanying financial statements have been completed in compliance with the provisions of Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements - and Management's Discussion and Analysis (MD&A) - for State and Local Governments* with the enclosed financial statements. The discussion and analysis of the District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2009. The intent of this discussion and analysis is to provide, in layman's terms, a look at the District's current and past financial performance and position. Certain comparative information between the current year and the prior year is presented in the MD&A. Readers should also review the notes to the financial statements to enhance their understanding of the District's financial performance.

Brief Description of the Financial Statements

This Annual Financial Report (AFR) consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District's financial position as a whole. The *District-Wide Financial Statements* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. The fund financial statements provide the next level of detail. For governmental activities, these statements present how services were financed in the short term as well as what remains for future spending. The fund financial statements look at the District's operations in more detail than the district-wide financial statements by providing information about the District's most significant funds, which include the General Fund, Common Debt Fund and 2006 School Building and Site Capital Project Fund with the three special revenue funds presented in one column as other governmental funds or nonmajor funds. The remaining statements include the Internal Service Fund, which accounts for the District's retirement payments and the Statement of Fiduciary Net Assets, which presents financial information about activities for which the District acts solely as an agent for the benefit of students and parents.

Reporting the District as a Whole - District-Wide Financial Statements

One of the most important questions asked about the District is, "Is the District as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities, which appear first in the District's financial statements, report information on the District as a whole and its activities in a way that helps you answer this question. We prepare these statements to include *all* assets and liabilities, using the *full accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or bills paid.

These two statements report the District's *net assets* - the difference between assets and liabilities, as reported in the Statement of Net Assets, as one way to measure the District's *financial position*. Over time, *increases or decreases* in the District's net assets, as reported in the Statement of Activities, are one indicator of whether its *financial position* is improving or deteriorating. The relationship between revenues and expenses is the District's *operating results*. However, the District's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the schools, to assess the *overall health* of the District.

The Statement of Net Assets and Statement of Activities report the governmental activities for the District, which encompass all of the District's services, including instruction, operations and maintenance, transportation, athletics and food services. Property taxes, sales taxes, foundation allowance revenue, state and federal grants and payment of fees finance most of these activities.

Reporting the District's Most Significant Funds - Fund Financial Statements

The District's Fund Financial Statements provide detailed information about the most *significant funds* - not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, the District establishes other funds to help it control and manage money for particular purposes (like the Food Service Fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the District receives from the U.S. Department of Education). The governmental funds of the District are accounted for using the following accounting guidelines:

Governmental funds - All of the District's services are reported in governmental funds. Governmental Fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end. They are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The Governmental Fund Statements provide a detailed *short-term view* of the operations of the District and the services it provides. Governmental Fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* in a reconciliation report.

Condensed Financial Information and Analysis of the District's Overall Financial Position and Results of Operations

The District as a Whole

Recall that the Statement of Net Assets provides the perspective of the District as a whole. Table 1 provides a summary of the District's net assets at fiscal years ended June 30, 2009 and 2008.

Table 1

<i>June 30,</i>	Governmental Activities 2009	Governmental Activities 2008
Assets		
Current assets	\$ 25,604,968	\$ 39,090,046
Noncurrent assets	69,551,053	56,306,259
Total Assets	95,156,021	95,396,305
Liabilities		
Current liabilities	8,798,552	8,260,057
Noncurrent liabilities	81,765,888	82,340,068
Total Liabilities	90,564,440	90,600,125
Net Assets		
Invested in capital assets, net of related debt	(4,873,450)	(3,226,482)
Unrestricted	9,465,031	8,022,662
Total Net Assets	\$ 4,591,581	\$ 4,796,180

The District's net assets were \$4,796,180 at June 30, 2008 and \$4,591,581 at June 30, 2009. Current assets (mainly investments) decreased from 2008 to 2009 while noncurrent assets (mainly depreciable capital assets) increased as a result of capital outlays from the 2006 Building and Site Capital Project Fund. Our analysis above focuses on the net assets (Table 1) and change in net assets (Table 2) of the District's governmental activities.

The results of this year's operations for the District, as a whole, are reported in the Statement of Activities (Table 2), which shows the changes in net assets for fiscal years 2009 and 2008.

Table 2

<i>Year ended June 30,</i>	Governmental Activities 2009	Governmental Activities 2008
Revenues		
Program revenues:		
Charges for services	\$ 1,207,362	\$ 1,126,268
Operating grants and contributions	3,944,315	3,936,502
General revenues:		
Property taxes	5,075,083	5,375,343
Federal Stimulus - ARRA	950,063	-
State sources	15,808,601	15,973,153
Other	696,494	2,482,850
Total Revenues	27,681,918	28,894,116
Expenses		
Instruction	13,327,437	13,084,091
Support services	7,317,137	7,531,102
Food service	773,836	727,021
Athletics	528,345	534,037
Community services	621,997	546,223
Center stage	15,685	17,968
Interest on long-term debt	3,879,210	3,866,983
Unallocated depreciation	1,422,870	1,557,768
Total Expenses	27,886,517	27,865,193
Increase (decrease) in net assets	(204,599)	1,028,923
Net Assets, beginning of year	4,796,180	3,741,746
Restatement of Prepaid Expenses	-	25,511
Net Assets, end of year	\$ 4,591,581	\$ 4,796,180

As reported in the Statement of Activities, the cost of all of our *governmental* activities this year was \$27,886,517. However, the amount that our taxpayers ultimately financed for these activities through District taxes was only \$5,075,083 because some of the cost was paid by those who benefited from the programs (\$1,207,362) or by other governments and organizations who subsidized certain programs with grants and contributions (\$3,944,315). We paid for the remaining "public benefit" portion of our governmental activities with \$1,429,441 in taxes, \$15,808,601 in state aid, and with our other revenues,

such as interest and general entitlements. Investment earnings increased significantly in 2009 due to the large amount of cash that was invested as well as higher rates.

In the table below, we have presented the total cost for each of the District's largest services as well as each service's *net* cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the District by each of these services. Providing this information allows our citizens to consider the cost of each service in comparison to the benefits they believe are provided by that service.

	<u>Governmental Activities</u>	
	Total Cost of Services	Net (Cost) Benefit of Services
<i>Year ended June 30, 2009</i>		
Basic programs	\$ 11,074,163	\$ (10,914,521)
Special education	1,508,301	(103,327)
Other instruction	744,973	(48,119)
Student services	690,751	(229,972)
Instructional staff	403,864	(107,876)
General administration	649,267	(649,025)
School administration	1,415,052	(1,370,578)
Business office/fiscal services	374,438	(329,288)
Operations and maintenance	2,329,409	(2,221,919)
Student transportation	954,658	(676,216)
Other support services	499,698	(483,130)
Community services	621,997	(30,424)
Food service	773,836	68,609
Athletics	528,345	(327,050)
Center stage	15,685	(9,924)
Interest on long-term debt	3,879,210	(3,879,210)
Unallocated depreciation	1,422,870	(1,422,870)
	<u>\$ 27,886,517</u>	<u>\$ (22,734,840)</u>

Analysis of Balances and Transactions of Individual Funds

The District's Funds

As we noted earlier, the District uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the District is being accountable for the resources taxpayers and others provide but may also give you more insight into the District's overall financial position.

As of June 30, 2009, our governmental funds reported a combined fund balance of \$20,192,842.

The general fund is our principal operating fund, which is \$4,968,876 of the above amount. The District has reserved \$73,723 for inventory and prepaid expenditures, leaving an unrestricted fund balance of \$4,895,153.

Analysis of Differences Between Original and Final Budgeted Amounts and Between Actual and Budgeted Amounts

General Fund Budgetary Highlights

Over the course of the year, the District revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. The final amendment to the budget was adopted just before year-end. (A schedule showing the District's original and final budget amounts for the General Fund compared with amounts actually paid and received is provided on page 31.)

Description of Changes in Capital Assets and Long-Term Debt During the Year

Capital Assets and Debt Administration

At June 30, 2009, the District had \$68,945,627 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deletions and depreciation) of \$13,284,194, or 23.9%, from last year.

<i>June 30,</i>	2009	2008
Land	\$ 1,330,607	\$ 1,330,607
Land improvements	4,237,342	4,563,541
Buildings and improvements	33,365,733	34,131,510
Machinery and equipment	356,944	510,161
Furniture and fixtures	272,272	334,643
Motor vehicles	88,681	80,693
Buses	798,039	681,726
Construction in progress	28,496,009	14,028,552
	\$ 68,945,627	\$ 55,661,433

Long-Term Obligations

At the end of this year, the District had \$78,561,352 in general obligation bonds outstanding versus \$81,026,581 last year. During the year the District borrowed \$2,597,358 from the School Bond Loan Fund, bringing the loan balance to \$4,255,503 at June 30, 2009.

Other obligations include accrued vacation pay, retirement incentives, accrued leave and capital leases. We present more detailed information about our long-term liabilities in Note 10 to the Financial Statements.

Description of Currently Known Facts, Decisions or Conditions That Have, or are Expected to Have, a Material Effect on Financial Position or Results of Operations

Economic Factors and Next Year's Budgets and Rates

Our elected officials and administration considered many factors when setting the District's 2009 fiscal year budget and tax rates. One of the most important factors affecting the budget is our student count. The state foundation revenue is determined by multiplying the blended student count by the foundation allowance per pupil. The blended count for the 2009 fiscal year is 25% and 75% of the February 2008

and September 2008 student counts, respectively. The 2009 budget was adopted in June 2008, based on an estimate of students that will be enrolled in September 2008. Approximately 75% of total revenues is from the Foundation Allowance. We anticipate that the fall student count will be slightly smaller for the 2009-2010 budget and will require a budget amendment after the count is final.

For the general fund we have projected a slight decrease in fund balance of \$(348,013) for the 2010 fiscal year, leaving a fund balance of \$4,620,863. All employees' contracts are negotiated until 2011. Other uncertainties include our Foundation Allowance and health insurance for District employees. The State Legislation is still without a budget as of September 30, 2009. There are talks of cuts in State School Aid per pupil allowance of \$218 per full-time equivalent. That would be approximately \$561,350 less revenue. The good news is that we had planned for a decrease of 15 (\$109,740) students and as of September 30, 2009 we are up approximately 20 students. The net difference in this is \$256,060.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and 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, please contact the Director of Finance and Operations, Catherine L. Kloska, Coopersville Area Public Schools; Coopersville, Michigan.



**District-Wide
Financial Statements**



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Coopersville Area Public Schools

District-Wide Financial Statements Statement of Net Assets

<i>June 30, 2009</i>	Governmental Activities
Assets	
Current Assets	
Cash (Note 3)	\$ 5,518,242
Investments (Note 3)	16,453,956
Accounts receivable	7,643
Due from other governmental units	3,481,373
Inventories	66,559
Prepaid expenses	77,195
Total current assets	25,604,968
Noncurrent Assets	
Depreciable capital assets, net of accumulated depreciation (Note 6)	39,119,011
Land and construction in progress (Note 6)	29,826,616
Note receivable (Note 7)	10,000
Deferred bond issuance costs, net of accumulated amortization of \$102,309	595,426
Total noncurrent assets	69,551,053
Total Assets	95,156,021
Liabilities	
Current Liabilities	
Accounts payable	3,387,006
Accrued payroll liabilities	1,491,714
Accrued interest payable	601,873
Deposits	18,133
Current portion of long-term obligations (Note 10)	3,299,826
Total current liabilities	8,798,552
Noncurrent Liabilities	
Noncurrent portion of long-term obligations (Note 10)	81,765,888
Total Liabilities	90,564,440
Net Assets	
Invested in capital assets, net of related debt	(4,873,450)
Unrestricted	9,465,031
Total Net Assets	\$ 4,591,581

See accompanying notes to financial statements.

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Coopersville Area Public Schools

District-Wide Financial Statements Statement of Activities

Year ended June 30, 2009	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Assets
				Total
Functions/Programs				
Governmental Activities				
Instruction:				
Basic programs	\$ 11,074,163	\$ 86,550	\$ 73,092	\$ (10,914,521)
Special education	1,508,301	-	1,404,974	(103,327)
Other instruction	744,973	-	696,854	(48,119)
Total instruction	13,327,437	86,550	2,174,920	(11,065,967)
Support services:				
Student services	690,751	-	460,779	(229,972)
Instructional staff	403,864	-	295,988	(107,876)
General administration	649,267	-	242	(649,025)
School administration	1,415,052	-	44,474	(1,370,578)
Business office/fiscal services	374,438	-	45,150	(329,288)
Operations and maintenance	2,329,409	-	107,490	(2,221,919)
Student transportation	954,658	-	278,442	(676,216)
Other support services	499,698	-	16,568	(483,130)
Community services	621,997	531,300	60,273	(30,424)
Food service	773,836	404,588	437,857	68,609
Athletics	528,345	179,163	22,132	(327,050)
Center stage	15,685	5,761	-	(9,924)
Interest on long-term debt	3,879,210	-	-	(3,879,210)
Unallocated depreciation	1,422,870	-	-	(1,422,870)
Total School District	\$ 27,886,517	\$ 1,207,362	\$ 3,944,315	(22,734,840)
General revenues:				
Property taxes levied for general purposes				1,429,441
Property taxes levied for debt service				3,645,642
Unrestricted state aid				15,808,601
Unrestricted federal revenue - ARRA				950,063
Investment earnings				676,611
Other				19,883
Total general revenues				22,530,241
Change in net assets				(204,599)
Net Assets, beginning of year				4,796,180
Net Assets, end of year				\$ 4,591,581

See accompanying notes to financial statements.

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**Fund Financial
Statements**



Coopersville Area Public Schools

Governmental Funds Balance Sheet

<i>June 30, 2009</i>	General Fund	Common Debt Fund	2006 School Building and Site Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash (Note 3)	\$ 3,419,932	\$ 167,699	\$ 1,585,185	\$ 301,388	\$ 5,474,204
Investments (Note 3)	-	-	16,003,665	-	16,003,665
Accounts receivable	1,126	499	-	6,018	7,643
Due from other governmental units	3,481,373	-	-	-	3,481,373
Due from other funds (Note 5)	66,233	-	-	-	66,233
Inventories	51,402	-	-	15,157	66,559
Prepaid expenditures	22,321	-	-	54,874	77,195
Total Assets	\$ 7,042,387	\$ 168,198	\$ 17,588,850	\$ 377,437	\$ 25,176,872
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 555,327	\$ -	\$ 2,817,638	\$ 14,041	\$ 3,387,006
Due to other funds (Note 5)	20,944	-	-	66,233	87,177
Accrued payroll liabilities	1,491,714	-	-	-	1,491,714
Deposits	5,526	-	-	12,607	18,133
Total liabilities	2,073,511	-	2,817,638	92,881	4,984,030
Fund Balances					
Reserved for:					
Inventories and prepaid expenditures	73,723	-	-	70,031	143,754
Unreserved reported in:					
General fund	4,895,153	-	-	-	4,895,153
Capital project fund	-	-	14,771,212	-	14,771,212
Special revenue funds	-	-	-	214,525	214,525
Debt retirement fund	-	168,198	-	-	168,198
Total fund balances	4,968,876	168,198	14,771,212	284,556	20,192,842
Total Liabilities and Fund Balances	\$ 7,042,387	\$ 168,198	\$ 17,588,850	\$ 377,437	\$ 25,176,872

See accompanying notes to financial statements.

Coopersville Area Public Schools

Reconciliation of Fund Balances of Governmental Funds to Net Assets on the Statement of Net Assets

June 30, 2009

Total fund balances - total governmental funds (from page 26)		\$ 20,192,842
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:		
Capital assets, at cost	\$ 89,148,754	
Accumulated depreciation	<u>(20,203,127)</u>	
Net capital assets		68,945,627
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. These assets consist of:		
Bond issuance costs	595,426	
Note receivable	<u>10,000</u>	
Total other long-term assets		605,426
Long-term liabilities, including accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds. Balances are as follows:		
Long-term debt payable	(83,062,745)	
Deferred bond premium	(1,765,396)	
Deferred interest on refunding	860,048	
Compensated absences	(582,348)	
Accrued interest on bonds and notes	<u>(601,873)</u>	
Net long-term liabilities		<u>(85,152,314)</u>
Net Assets of Governmental Activities		\$ 4,591,581

See accompanying notes to financial statements.

Coopersville Area Public Schools

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

<i>Year ended June 30, 2009</i>	General Fund	Common Debt Fund	2006 School Building and Site Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Local sources:					
Property taxes	\$ 1,429,441	\$ 3,645,642	\$ -	\$ -	\$ 5,075,083
Other local sources	795,817	6,820	639,035	577,546	2,019,218
Other governmental units	1,413,390	-	-	-	1,413,390
State sources	16,818,496	19,217	-	46,583	16,884,296
Federal sources	1,892,955	-	-	391,274	2,284,229
Total revenues	22,350,099	3,671,679	639,035	1,015,403	27,676,216
Expenditures					
Instruction	13,314,461	-	-	-	13,314,461
Support services	7,237,634	-	-	-	7,237,634
Community services	619,107	-	-	-	619,107
Food service	-	-	-	770,801	770,801
Center stage	-	-	-	15,685	15,685
Athletics	-	-	-	526,674	526,674
Debt retirement:					
Redemption of principal	343,349	2,465,230	-	-	2,808,579
Interest and fiscal charges	20,029	3,733,601	-	-	3,753,630
Capital outlay	186,901	-	14,602,480	-	14,789,381
Total expenditures	21,721,481	6,198,831	14,602,480	1,313,160	43,835,952
Excess (deficiency) of revenues over expenditures	628,618	(2,527,152)	(13,963,445)	(297,757)	(16,159,736)

Coopersville Area Public Schools

Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances

<i>Year ended June 30, 2009</i>	General Fund	Common Debt Fund	2006 School Building and Site Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Other Financing Sources (Uses)					
Proceeds from sale of capital assets	\$ 17,540	\$ -	\$ -	\$ -	\$ 17,540
Insurance reimbursement	5,701	-	-	-	5,701
Issuance of long-term debt	-	2,597,358	-	-	2,597,358
Transfers from other funds (Note 5)	66,233	-	-	383,858	450,091
Transfers to other funds (Note 5)	(383,858)	-	-	(66,233)	(450,091)
Total other financing sources (uses)	(294,384)	2,597,358	-	317,625	2,620,599
Changes in fund balances	334,234	70,206	(13,963,445)	19,868	(13,539,137)
Fund Balances, beginning of year	4,634,642	97,992	28,734,657	264,688	33,731,979
Fund Balances, end of year	\$ 4,968,876	\$ 168,198	\$ 14,771,212	\$ 284,556	\$ 20,192,842

See accompanying notes to financial statements.

Coopersville Area Public Schools

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year ended June 30, 2009

Changes in fund balances - total governmental funds (from page 29) \$(13,539,137)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital outlay	\$ 14,745,607	
Depreciation expense	<u>(1,422,870)</u>	
Net effect of capital outlays		13,322,737

Bond and note proceeds provide current financial resources to governmental funds but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond and note principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Debt issued	(2,597,358)	
Amortization of bond charges and premium	(710)	
Principal payments	<u>2,808,579</u>	
Net effect of debt issuance and repayment		210,511

Governmental funds report proceeds from the sale of capital assets as other financing sources while on the statement of activities the difference between the proceeds and the book value of the assets is reported as a gain or loss. (48,543)

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 governmental funds.

Accrued interest	(124,869)	
Compensated absences	<u>(25,298)</u>	
Net effect of long-term liabilities		<u>(150,167)</u>

Change in Net Assets of Governmental Activities **\$ (204,599)**

See accompanying notes to financial statements.

Coopersville Area Public Schools

General Fund Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual

<i>Year ended June 30, 2009</i>	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Local sources:				
Property taxes	\$ 1,535,027	\$ 1,429,834	\$ 1,429,441	\$ (393)
Other local sources	1,158,324	790,628	795,817	5,189
Other governmental units	1,399,840	1,448,167	1,413,390	(34,777)
State sources:				
Unrestricted school aid	15,699,648	15,775,698	15,781,735	6,037
Restricted grants	1,620,549	1,037,572	1,036,761	(811)
Federal sources	890,627	1,891,454	1,892,955	1,501
Total revenues	22,304,015	22,373,353	22,350,099	(23,254)
Expenditures				
Instruction	13,698,047	13,406,811	13,314,461	92,350
Support services	7,534,159	7,399,586	7,237,634	161,952
Community services	626,212	625,528	619,107	6,421
Debt retirement:				
Redemption of principal	185,071	348,373	343,349	5,024
Interest expense	-	15,005	20,029	(5,024)
Capital outlay	15,000	196,480	186,901	9,579
Total expenditures	22,058,489	21,991,783	21,721,481	270,302
Excess of revenues over expenditures	245,526	381,570	628,618	247,048
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	10,000	17,416	17,540	124
Insurance reimbursement	-	5,702	5,701	(1)
Transfers from other funds	45,000	45,000	66,233	21,233
Transfers to other funds	(407,492)	(390,073)	(383,858)	6,215
Total other financing sources (uses)	(352,492)	(321,955)	(294,384)	27,571
Changes in fund balances	(106,966)	59,615	334,234	274,619
Fund Balances, beginning of year	4,634,642	4,634,642	4,634,642	-
Fund Balances, end of year	\$ 4,527,676	\$ 4,694,257	\$ 4,968,876	\$ 274,619

See accompanying notes to financial statements.

Coopersville Area Public Schools

Proprietary Fund Statement of Net Assets

	Governmental Activities
	<u>Internal Service Fund</u>
<i>June 30, 2009</i>	
<hr/>	
Assets - Current	
Cash (Note 3)	\$ 44,038
Investments (Note 3)	450,291
Due from General Fund	20,944
	<hr/>
	\$ 515,273
<hr/>	
Liabilities and Net Assets	
Liabilities	
Long-term liabilities - retirement liability	\$ 515,273
	<hr/>
Net Assets	-
	<hr/>
Total Liabilities and Net Assets	\$ 515,273
	<hr/>

See accompanying notes to financial statements.

Coopersville Area Public Schools

Proprietary Fund Statement of Revenue, Expense and Changes in Fund Net Assets

	Governmental Activities
	<u>Internal Service Fund</u>
<i>Year ended June 30, 2009</i>	
Operating Revenue	
Charges for services	\$ 238,989
Operating Expense	
Retirement expense	238,989
Change in net assets	-
Net Assets, beginning of year	-
Net Assets, end of year	\$ -

See accompanying notes to financial statements.

Coopersville Area Public Schools

Proprietary Fund Statement of Cash Flows

	Governmental Activities
	<u>Internal Service Fund</u>
<i>Year ended June 30, 2009</i>	
Cash Flows for Operating Activities	
Payments to retirees	\$ (241,379)
Payment from general fund, net of present value adjustments	46,955
Net cash for operating activities	(194,424)
Cash Flows for Investing Activity	
Purchase of investments	(450,291)
Decrease in Cash	(644,715)
Cash, beginning of year	688,753
Cash, end of year	\$ 44,038
Reconciliation of Operating Income to Net Cash for Operating Activities	
Operating income	\$ -
Adjustments to reconcile operating income to net cash for operating activities:	
Changes in assets and liabilities:	
Due from other funds	(20,944)
Long-term liabilities - retirement liability	(173,480)
Net Cash for Operating Activities	\$ (194,424)

See accompanying notes to financial statements.

Coopersville Area Public Schools

Fiduciary Funds Statement of Fiduciary Net Assets

<i>June 30, 2009</i>	Trust Fund	Agency Fund
Assets		
Cash (Note 3)	\$ 2,989	\$ 225,316
Liabilities		
Due to student groups	-	225,316
Net Assets	\$ 2,989	\$ -

See accompanying notes to financial statements.

Coopersville Area Public Schools

Fiduciary Funds Statement of Changes in Fiduciary Net Assets

<i>Year ended June 30, 2009</i>	Trust Fund
Additions	
Interest	\$ 7
Deductions	
Scholarships	5,002
Change in net assets	(4,995)
Net Assets, beginning of year	7,984
Net Assets, end of year	\$ 2,989

See accompanying notes to financial statements.

Coopersville Area Public Schools

Notes to Financial Statements

1. Summary of Significant Accounting Policies

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

Reporting Entity

The District is an independent entity with an elected Board of Education. The Board consists of seven members elected to four-year terms. The Board has responsibility and control over all matters affecting the District, including authority to levy taxes and determine its budget, the power to designate management and primary accountability for fiscal matters. The basic financial statements of the District contain all funds and account groups for which the District is financially accountable. There are no other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's basic financial statements to be misleading or incomplete.

Basis of Presentation

District-wide financial statements: The statement of net assets and the statement of activities report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. The district-wide financial statements categorize activities as either governmental or business-type. All of the District's activities are classified as governmental.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to recipients who purchase, use or directly benefit from goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function. Property taxes, state aid foundation and certain other items are reported as general revenues.

Coopersville Area Public Schools

Notes to Financial Statements

Fund financial statements: The fund financial statements provide information about the District's funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though fiduciary funds are excluded from the district-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements.

The financial transactions of the District are recorded in individual funds and account groups. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures.

When both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first.

Governmental Funds

Governmental Funds are used to account for the District's general activity. The focus is on determination of the financial position and changes in financial position rather than on income determination. The following is a description of the Governmental Funds of the District:

General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund and is considered a major fund.

Special Revenue Funds are used to account for revenue sources that are restricted to expenditures for specified purposes. The District operates three special revenue funds: Food Service, Athletics and Center Stage. All special revenue funds are considered nonmajor funds.

Debt Retirement Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The Common Debt Fund is considered a major fund.

Capital Projects Funds are used to account for financial resources to be used for the acquisition and construction of major capital facilities. The District has one Capital Project Fund, the 2006 School Building and Site Capital Project Fund, which is considered a major fund.

Coopersville Area Public Schools

Notes to Financial Statements

Proprietary Funds

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 following is a description of the Proprietary Fund of the District:

Internal Service Fund recognizes, as operating revenue, internal transfers intended to recover the cost of providing specific benefits to retired employees. Operating expenses for the internal service fund include the cost of services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary Funds

The *Agency Fund* is used to account for assets held by the District in a trustee capacity for individuals or school-related organizations. The Agency Fund is custodial in nature and does not involve measurement of results of operations. The District operates one agency fund, which is the Student Activities Fund.

A *Private-Purpose Trust Fund* reports trust arrangements where the principal and interest benefit students. The District operates one such fund: the Student Loan Fund.

Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured and basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

District-wide, 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 taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Coopersville Area Public Schools

Notes to Financial Statements

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, are generally followed in the district-wide financial statements to the extent that those standards do not conflict with GASB guidance.

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 if they are collected within the current period or soon enough after to pay liabilities for the current period. The District considers revenues to be available if collected within 60 days after year-end.

Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

State Foundation Revenue

The State of Michigan provides funds through a foundation grant approach, which provides for a specific annual amount of revenue per student based on a statewide formula. The foundation is funded from state and local sources. The School Aid Act and the School Code of Michigan primarily govern revenues from state sources. For the year ended June 30, 2009, the foundation allowance was based on the average of student membership counts taken in February and September 2008.

The state portion of the foundation is provided primarily by a state education property tax millage of six mills and an allocated portion of state sales and other taxes. The local portion of the foundation is funded primarily by non-homestead property taxes, which may be levied at a rate of up to 18 mills.

During 2009, the state reduced the foundation grant to the District in the amount of \$950,063. The loss in state funds was offset by federal monies awarded through the American Recovery and Reinvestment Act of 2009.

State Categorical Revenue

The District also receives revenue from the state to administer certain categorical education programs. State rules require that revenue earmarked for these programs be

Coopersville Area Public Schools

Notes to Financial Statements

expended for its specific purpose. Categorical funds received that are not expended by the close of the fiscal year are recorded as deferred revenue.

Federal Revenue

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Budgets and Budgetary Accounting

The budgetary data reflected in the financial statements is established by the District using the procedures outlined below:

Prior to April, the Principals, Directors and Supervisors review operating budgets by program or building for the fiscal year commencing the following July 1, and submit them to the Superintendent, the Director of Finance, the Board Treasurer and two Board Trustees.

This Committee works with the information and develops a budget and resolution for the General Fund and Special Revenue Funds. This includes proposed expenditures and the means of financing them and is compiled by the Committee on a basis consistent with generally accepted accounting principles.

In June, the budget resolution is subjected to a public hearing before the full Board of Education and is adopted within seven days after this hearing and before July 1, the first day of the budgeted fiscal year. Unexpended appropriations lapse at the end of the fiscal year.

The Superintendent can reduce budgeted expenditures for any program; however, any revisions that increase expenditures for a program must be approved by the Board of Education. Budget amendments were not material in relation to the original budget.

The budget is integrated with the accounting system of the District and is used as a management control device during the year.

Coopersville Area Public Schools

Notes to Financial Statements

Investments

Investments are recorded at fair value based on quoted market prices.

Inventories

Inventories are stated at cost (first-in, first-out) except for donated USDA commodities, which are recorded at fair value. Inventories consist primarily of food and cafeteria supplies, teaching supplies, office supplies, gas, oil, maintenance and bus repair parts. Inventories are reported as assets until consumed, at which time an expenditure is recorded.

Capital Assets

Capital assets, which include property, buildings and equipment, are reported in the district-wide financial statements. Assets having a useful life in excess of one year and whose costs exceed \$5,000 are capitalized. Capital assets are stated at historical cost or estimated historical cost where actual cost information is not available. Donated capital assets are stated at their market value as of the donation date.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' useful lives are not capitalized. Major outlays for capital assets are capitalized as projects are constructed.

Depreciation is provided for on the straight-line basis over the estimated useful lives of the assets as follows:

	Years
Buildings and improvements	50
Furniture and equipment	5 - 15
Motor vehicles and buses	10

Compensated Absences

District employees are granted vacation and accrued leave in varying amounts based on length of service. Unused vacation time accumulates from year to year to a maximum of twice the annual allotment.

Coopersville Area Public Schools

Notes to Financial Statements

Accrued leave is accumulated at different rates for various categories of employees. Unused accrued leave accumulates from year to year to a maximum of 100 days for all full-time employees, other than teachers and administrators. There is no accrued leave limit for teachers and administrators. Unused accrued leave is paid to employees at a nominal rate for each unused day only at the time of retirement. In the fund financial statements only the matured liability for compensated absences is reported. The total liability is reported in the district-wide financial statements.

Long-Term Obligations

In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as issuance costs during the current period. The face amount of debt is reported as other financing sources. Premiums and discounts are reported as other financing sources (uses) while issuance costs are reported as expenditures.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition or construction of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through legislation or through external restrictions imposed by creditors, grantors, laws or regulations from other governments.

Property Taxes

Properties are assessed as of December 31, and the related property taxes are levied and become a lien on July 1. These taxes are due on September 14, with the final collection date of February 28, before they are added to the county delinquent tax rolls.

Interfund Activity

During the course of its operations, the District has numerous transactions between funds. The General Fund regularly transfers funds to Athletics to fund operating shortfalls. To the extent that certain transactions had not been paid or received at year-end, balances of interfund receivables or payables have been recorded. Balances are normally liquidated in the subsequent fiscal year.

Coopersville Area Public Schools

Notes to Financial Statements

Use of Estimates

The preparation of financial statements requires estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. Stewardship, Compliance and Accountability

The Food Service Fund budgeted expenditures of \$760,378 while actual expenditures were \$770,801, resulting in expenditures exceeding budget by \$10,423. Fund balance was sufficient to cover the excess expenditures.

Compliance With the Single Audit Act Amendments of 1996 - procedures to test compliance relating to federal assistance programs as required by the Single Audit Act are detailed at the end of this report.

3. Cash and Investments

Deposits

Statutes require that certificates of deposit, savings accounts, deposit accounts and depository receipts are made with banks doing and having a place of business in the State of Michigan that are also members of a federal or national insurance corporation.

Certificates of deposits consist of the following:

<i>June 30, 2009</i>	Maturity Date	Interest Rate	Amount
Student Activities			
Comerica Bank - Certificate of Deposit	10/22/10	4.02%	\$ 2,989

Coopersville Area Public Schools

Notes to Financial Statements

Custodial Credit Risk Related to Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District minimizes custodial credit risk by pre-qualifying financial institutions. At June 30, 2009, \$5,700,295 of the District's bank balances (without recognition of deposits in transit and outstanding checks) of \$7,220,312 was uninsured and uncollateralized.

The Federal Deposit Insurance Corporation (FDIC) general deposit insurance rules provide \$250,000 of insurance per account. Fifth Third Bank participates in the FDIC's Transaction Account Guarantee Program. Under that program, through June 30, 2010, all noninterest-bearing transaction accounts are fully guaranteed by the FDIC for the entire amount in the account. The balance in the Fifth Third account at June 30, 2009 was \$1,267,028. Coverage under the Transaction Account Guarantee Program is in addition to and separate from the coverage available under the FDIC's general deposit insurance rules.

Investments

At June 30, 2009, the District had the following investments:

<i>Investment Type</i>	Fair Value	Maturities	
		Less Than 1 Year	Standard & Poor's Ratings
U.S. government agencies	\$ 4,160,138	\$ 4,160,138	AAA
Governmental investment pool	450,291	450,291	AAAm
Municipal bonds	4,742,473	4,742,473	SP-1+
Money market fund	7,101,054	7,101,054	AAA
	<u>\$ 16,453,956</u>	<u>\$ 16,453,956</u>	

Interest Rate Risk

The District does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Coopersville Area Public Schools

Notes to Financial Statements

Custodial Credit Risk Related to Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments that are in the possession of an outside party. The District minimizes custodial credit risk by pre-qualifying financial institutions. The District had no investments that were subject to custodial credit risk at June 30, 2009.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

State statutes authorize the District to invest in obligations and certain repurchase agreements of the U.S. Treasury and related governmental agencies, commercial paper rated prime at the time of purchase and maturing not more than 270 days from the date of purchase, bankers' acceptance and certificates of deposit issued or created by a state or national bank insured with the applicable federal agency, and investment pools authorized by the Surplus Funds Investment Pool Act. The District follows state statutes and has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. Although the District places no limit on the amount that may be invested in any one issuer, the District minimizes concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimal. Excluding U.S. government guaranteed and mutual funds, the District had investments which exceed 5% of total investments at June 30, 2009 as follows:

<i>Investment</i>	Fair Value
Municipal bond	\$ 1,499,850
Municipal bond	3,242,623
Federal Home Loan Mortgage Corporation	1,254,959
Federal Home Loan Mortgage Corporation	1,291,348

Coopersville Area Public Schools

Notes to Financial Statements

4. Voted Millage and Expiration Dates

A substantial portion of revenues is attributable to local property taxes. The millage rates levied and expiration dates for the prior and current fiscal years consist of the following:

<i>Year ended June 30,</i>	Taxable Value Commercial	Personal Property Rate	Taxable Value All Properties	Debt Retirement Millage Rate	Taxable Value Non- Homestead	Non- Homestead Millage Rate	Year of Expiration
2008	\$ -	-	\$ 409,100,589	8.69	\$ 78,235,143	18.00	2009
2009	4,937,074	6.00	411,430,918	8.69	77,642,166	18.00	2010

5. Interfund Receivables, Payables and Transfers

Interfund receivables and payables at June 30, 2009 are as follows:

<i>Fund</i>	Interfund Receivable	Interfund Payable
General Fund	\$ 66,233	\$ 20,944
Internal Service Fund	20,944	-
Food Service Fund	-	66,233
	\$ 87,177	\$ 87,177

Interfund transfers during the current fiscal year were as follows:

<i>Fund</i>	Transfers In	Transfers Out
General Fund	\$ 66,233	\$ 383,858
Athletic Fund	383,858	-
Food Service Fund	-	66,233
	\$ 450,091	\$ 450,091

Coopersville Area Public Schools

Notes to Financial Statements

6. Capital Assets

The following summarizes capital asset activity for the year ended June 30, 2009.

	Balance, July 1, 2008	Additions	Deletions	Balance, June 30, 2009
Governmental Activities				
Capital assets not depreciated:				
Land	\$ 1,330,607	\$ -	\$ -	\$ 1,330,607
Construction in progress	14,028,552	14,467,457	-	28,496,009
Capital assets being depreciated:				
Land improvements	6,711,727	864	(34,266)	6,678,325
Buildings	45,813,167	-	(127,622)	45,685,545
Machinery and equipment	4,199,042	7,950	(19,377)	4,187,615
Furniture and fixtures	887,194	14,721	-	901,915
Motor vehicles	280,166	27,623	(27,000)	280,789
Buses	1,360,957	226,992	-	1,587,949
Totals at historical cost	74,611,412	14,745,607	(208,265)	89,148,754
Less accumulated depreciation for:				
Land improvements	2,148,186	324,068	(31,271)	2,440,983
Buildings	11,681,657	734,629	(96,474)	12,319,812
Machinery and equipment	3,688,881	161,167	(19,377)	3,830,671
Furniture and fixtures	552,551	77,092	-	629,643
Motor vehicles	199,473	15,235	(22,600)	192,108
Buses	679,231	110,679	-	789,910
Total accumulated depreciation	18,949,979	1,422,870	(169,722)	20,203,127
Net Capital Assets				
Land	1,330,607	-	-	1,330,607
Construction in progress	14,028,552	14,467,457	-	28,496,009
Land improvements	4,563,541	(323,204)	(2,995)	4,237,342
Buildings	34,131,510	(734,629)	(31,148)	33,365,733
Machinery and equipment	510,161	(153,217)	-	356,944
Furniture and fixtures	334,643	(62,371)	-	272,272
Motor vehicles	80,693	12,388	(4,400)	88,681
Buses	681,726	116,313	-	798,039
Total Net Capital Assets	\$ 55,661,433	\$ 13,322,737	\$ (38,543)	\$ 68,945,627

Coopersville Area Public Schools

Notes to Financial Statements

7. Note Receivable

The District has a note receivable from a corporation payable annually in the amount of \$10,000. The balance at June 30, 2009 is \$10,000 and will be paid in full as of January 1, 2010. The balance of the note is reflected in the district-wide financial statements.

8. Employee Retirement System - Defined Benefit Plan

Plan Description

The District contributes to the statewide Michigan Public School Employees' Retirement System (MPERS), a cost-sharing, multiple-employer defined benefit pension plan administered by the nine-member board of the MPERS. The MPERS was established by the State of Michigan to provide retirement, survivor and disability benefits to public school employees. In addition, the health plan provides all retirees with the option of receiving health, dental and vision coverage. The MPERS was established by Public Act 136 of 1945 and currently operates under the provisions of Public Act 300 of 1980, as amended. The MPERS issues a publicly available financial report that includes financial statements and required supplementary information for MPERS. That report may be obtained by contacting the Michigan Public School Employees' Retirement System, P.O. Box 30171, Lansing, Michigan 48909.

Funding Policy

Basic Plan members make no contributions. Member Investment Plan (MIP) members enrolled in MIP prior to January 1, 1990 contribute a permanently fixed rate of 3.9% of gross wages. Members first hired between January 1, 1990 and June 30, 2008, and returning members who did not work between January 1, 1987 and December 31, 1989 contribute at the following graduated permanently fixed contribution rate: 3.0% of the first \$5,000; 3.6% of \$5,001 through \$15,000; 4.3% of all wages over \$15,000. Members first hired July 1, 2008, or later, contribute at the following graduated permanently fixed contribution rates: 3% of the first \$5,000; 3.6% of \$5,001 through \$15,000; 6.4% of all wages over \$15,000.

The District is required to contribute the full actuarial funding contribution amount to fund pension benefits, plus an additional amount to fund retiree healthcare benefit amounts on a cash disbursement basis. The rates for the year ended June 30, 2009 were 16.72% from July 1, 2008 through September 30, 2008 and 16.54% from October 1, 2008 through June 30, 2009. The contribution requirements of plan members and the District are established and may be amended by the MPERS Board of Trustees.

Coopersville Area Public Schools

Notes to Financial Statements

The District contributions to MPSERS for the current and two preceding years were as follows:

<i>Year ended June 30,</i>	Employer Contribution
2009	\$2,050,466
2008	2,025,015
2007	1,969,859

9. Risk Management

The District purchases insurance coverage from commercial carriers. Various deductibles ranging from \$250 to \$10,000 are maintained to place the responsibility for certain charges with the insured. For the years ended June 30, 2009 and 2008, the District paid premiums of \$134,467 and \$129,782, respectively.

The District is named as a party in legal proceedings and investigations that occur in the normal course of governmental operations. Although the ultimate outcome of these legal proceedings and investigations is unknown, the District is vigorously defending its position in the case.

10. Long-Term Obligations

The following is a summary of changes in long-term obligations for the District for the year ended June 30, 2009:

	Balance, July 1,2008	Additions	Deductions	Balance, Due Within June 30,2009	One Year
Bonds payable	\$ 81,026,581	\$ -	\$ 2,465,229	\$ 78,561,352	\$ 2,950,954
Less deferred interest from issuance	(906,825)	-	(46,777)	(860,048)	(46,777)
Deferred issuance premium	1,840,863	-	75,467	1,765,396	75,467
School Bond Loan Fund	1,628,145	2,597,358	-	4,225,503	-
Accrued interest on loan	43,408	150,830	-	194,238	-
Installment purchase contracts	425,000	-	343,348	81,652	81,652
Retirement incentive	688,753	65,511	238,991	515,273	178,530
Accrued leave	492,432	73,004	31,550	533,886	50,000
Accrued vacation	64,620	81,379	97,537	48,462	10,000
	\$ 85,302,977	\$ 2,968,082	\$ 3,205,345	\$ 85,065,714	\$ 3,299,826

Coopersville Area Public Schools

Notes to Financial Statements

Bonds payable at June 30, 2009 are comprised of the following individual issues:

	Interest Rate	June 30,	
		2009	2008
Durant Resolution Bonds	4.76%	\$ 146,352	\$ 161,581
1999 School Building and Site Bonds - Paid off in 2009	-	-	1,100,000
2004 School Building and Site Bonds - Bonds maturing after May 1, 2015 are subject to redemption prior to maturity, at the option of the District, at par plus accrued interest and applicable premiums.	3.50 - 4.55	3,125,000	3,275,000
2005 Refunding Bonds - Bonds maturing after May 1, 2016 are subject to redemption prior to maturity, at the option of the District, at par plus accrued interest and applicable premiums.	3.25 - 4.20	6,610,000	6,640,000
2006 Refunding Bonds - Bonds maturing after May 1, 2017 are subject to redemption prior to maturity, at the option of the District, at par plus accrued interest and applicable premiums.	4.00 - 5.00	29,255,000	29,675,000
2006 School Building and Site Bonds - Bonds maturing after May 1, 2017 are subject to redemption prior to maturity, at the option of the District, at par plus accrued interest and applicable premiums.	4.00 - 5.00	39,425,000	40,175,000
		\$ 78,561,352	\$ 81,026,581

On November 24, 1998, the State of Michigan, through the Michigan Municipal Bond Authority, issued School Loan Revenue Bonds, Series 1998, on behalf of the District. The Durant Bonds are a legal obligation of the District and are recorded in the District's statement of net assets as a noncurrent liability. The revenue associated with the annual debt service payment is derived from an annual State of Michigan appropriation. Should the legislature fail to appropriate the funds, the District is under no obligation for payment.

Coopersville Area Public Schools

Notes to Financial Statements

School Bond Loan Fund

The State of Michigan School Bond Loan Fund is obligated to lend the District amounts to help meet the principal and interest obligations of the 2006 School Building and Site Bonds that are not realized in tax levies. When the tax revenues collected exceed these obligations, the District must use these funds to pay back the accumulated borrowings and interest. During the year the District borrowed \$2,597,358 and has recorded accrued interest of \$194,238 at June 30, 2009. The State Administrative Board will determine the applicable interest rates annually. For fiscal year 2008-2009, interest was charged at a rate between 4.307% and 6.220%. Tax revenue is projected to exceed principal and interest obligations by June 30, 2036.

Voluntary and Early Retirement Incentives

The District offers some employees a voluntary retirement program and an early retirement program as part of their contractual agreement. Several employees have elected early retirement until they are eligible for benefits under the Federal Social Security System. Currently, nineteen employees participate in the voluntary retirement program and four employees participate in the early retirement programs. The program payment requirements vary each year. At June 30, 2009, the District's liability for the voluntary and early retirement plans was \$479,367 and \$39,000, respectively. The total present value of the future payments for both programs, using a discount rate of 0.25% is \$515,274.

Retirement contracts are typically liquidated by the Internal Service Fund and compensated absences are typically liquidated by the General Fund.

Coopersville Area Public Schools

Notes to Financial Statements

Bonds

The annual requirements to pay principal and interest on bonds outstanding are as follows:

<i>Year ending June 30,</i>	Principal	Interest	Total
2010	\$ 2,950,954	\$ 3,613,550	\$ 6,564,504
2011	3,451,714	3,496,489	6,948,203
2012	3,727,509	3,336,387	7,063,896
2013	4,046,175	3,194,894	7,241,069
2014	4,215,000	2,973,848	7,188,848
2015 - 2019	14,830,000	12,582,766	27,412,766
2020 - 2024	16,450,000	9,125,447	25,575,447
2025 - 2029	17,215,000	5,205,518	22,420,518
2030 - 2034	8,300,000	1,910,126	10,210,126
2035 - 2036	3,375,000	228,376	3,603,376
	\$ 78,561,352	\$ 45,667,401	\$ 124,228,753

Installment Purchase Contract (Administration Building)

<i>Year ending June 30,</i>	Principal	Interest	Total
2010	\$ 81,652	\$ 2,019	\$ 83,671

The following is the detail for each bond issue.

Durant Resolution Bonds

<i>Year ending June 30,</i>	Interest Payable May 15,	Serial Bonds Payable May 15,	Total Bonds and Interest Payable
2010	\$ 3,262	\$ 15,954	\$ 19,216
2011	2,503	16,714	19,217
2012	1,707	17,509	19,216
2013	32,938	96,175	129,113
	\$ 40,410	\$ 146,352	\$ 186,762

Coopersville Area Public Schools

Notes to Financial Statements

2004 School Building and Site Bonds (General Obligation-Unlimited Tax)

<i>Year ending June 30,</i>	Interest Payable November 1,	Interest Payable May 1,	Total Interest Payable	Serial Bonds Payable May 1,	Total Bonds and Interest Payable
2010	\$ 64,300	\$ 64,300	\$ 128,600	\$ 175,000	\$ 303,600
2011	61,237	61,237	122,474	200,000	322,474
2012	57,488	57,488	114,976	200,000	314,976
2013	53,737	53,737	107,474	200,000	307,474
2014	49,938	49,938	99,876	200,000	299,876
Thereafter	264,480	264,480	528,960	2,150,000	2,678,960
	\$ 551,180	\$ 551,180	\$ 1,102,360	\$ 3,125,000	\$ 4,227,360

2005 Refunding Bonds (General Obligation-Unlimited Tax)

<i>Year ending June 30,</i>	Interest Payable November 1,	Interest Payable May 1,	Total Interest Payable	Serial Bonds Payable May 1,	Total Bonds and Interest Payable
2010	\$ 134,400	\$ 134,400	\$ 268,800	\$ 30,000	\$ 298,800
2011	133,912	133,912	267,824	35,000	302,824
2012	133,321	133,321	266,642	35,000	301,642
2013	132,709	132,709	265,418	35,000	300,418
2014	132,079	132,079	264,158	35,000	299,158
Thereafter	611,190	611,190	1,222,380	6,440,000	7,662,380
	\$ 1,277,611	\$ 1,277,611	\$ 2,555,222	\$ 6,610,000	\$ 9,165,222

Coopersville Area Public Schools

Notes to Financial Statements

2006 Refunding Bonds (General Obligation-Unlimited Tax)

<i>Year ending June 30,</i>	Interest Payable November 1,	Interest Payable May 1,	Total Interest Payable	Serial Bonds Payable May 1,	Total Bonds and Interest Payable
2010	\$ 685,616	\$ 685,616	\$ 1,371,232	\$ 1,730,000	\$ 3,101,232
2011	651,016	651,016	1,302,032	1,950,000	3,252,032
2012	602,266	602,266	1,204,532	2,175,000	3,379,532
2013	547,891	547,891	1,095,782	2,415,000	3,510,782
2014	487,516	487,516	975,032	2,680,000	3,655,032
Thereafter	4,221,040	4,221,040	8,442,080	18,305,000	26,747,080
	\$ 7,195,345	\$ 7,195,345	\$ 14,390,690	\$ 29,255,000	\$ 43,645,690

2006 School Building and Site Bonds (General Obligation-Unlimited Tax)

<i>Year ending June 30,</i>	Interest Payable November 1,	Interest Payable May 1,	Total Interest Payable	Serial Bonds Payable May 1,	Total Bonds and Interest Payable
2010	\$ 920,828	\$ 920,828	\$ 1,841,656	\$ 1,000,000	\$ 2,841,656
2011	900,828	900,828	1,801,656	1,250,000	3,051,656
2012	874,266	874,266	1,748,532	1,300,000	3,048,532
2013	846,641	846,641	1,693,282	1,300,000	2,993,282
2014	817,391	817,391	1,634,782	1,300,000	2,934,782
Thereafter	9,429,405	9,429,405	18,858,810	33,275,000	52,133,810
	\$ 13,789,359	\$ 13,789,359	\$ 27,578,718	\$ 39,425,000	\$ 67,003,718

Coopersville Area Public Schools

Notes to Financial Statements

11. Bond Compliance

The 2006 School Building and Site Capital Project Fund includes activities funded by the 2006 School Building and Site Bonds. For this capital project, the District has complied with the applicable provisions of Section 1351a of the Revised School Code. Beginning with the year of the bond issuance, the District has reported the annual construction activity in the Fund. Cumulative revenues and expenditures for the construction period ended June 30, 2009 were \$3,768,553 and \$30,725,221, respectively.



General Fund

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Coopersville Area Public Schools

General Fund Schedule of Sources of Financial Resources

<i>Year ended June 30,</i>	2009	2008
Revenues		
Local Sources		
Property taxes	\$ 1,429,441	\$ 1,760,455
Other local sources	795,817	841,684
Total revenues from local sources	2,225,258	2,602,139
Payments From Other Governmental Units		
County special education tax	1,399,206	1,343,134
Medicaid unrestricted	-	32,284
Other	14,184	41,203
Total revenues from payments from other governmental units	1,413,390	1,416,621
State Sources		
State-aid unrestricted:		
State school aid - foundation allowance	15,773,069	15,952,320
Renaissance	8,666	20,833
Total state-aid unrestricted	15,781,735	15,973,153
State-aid restricted:		
Special education	648,640	748,612
At risk	319,272	336,883
Adult education	-	2,194
Preschool	61,200	61,200
Other grants	7,649	27,365
Total state-aid restricted	1,036,761	1,176,254
Total revenues from state sources	16,818,496	17,149,407

Coopersville Area Public Schools

General Fund Schedule of Sources of Financial Resources

<i>Year ended June 30,</i>	2009	2008
Federal Sources		
Grants-in-aid restricted:		
ARRA - Education Stabilization Fund	\$ 950,063	\$ -
ESEA	448,232	395,230
IDEA/PPI special education	484,017	470,863
Medicaid outreach	2,493	4,316
Other grants	8,150	8,970
Total revenues from federal sources	1,892,955	879,379
Total revenues	22,350,099	22,047,546
Other Financing Sources		
Transfers from other funds	66,233	62,906
Insurance reimbursement	5,701	13,550
Proceeds from sale of capital assets	17,540	14,522
Total other financing sources	89,474	90,978
Total Revenues and Other Financing Sources	\$ 22,439,573	\$ 22,138,524

Coopersville Area Public Schools

General Fund Schedule of Uses of Financial Resources

<i>Year ended June 30,</i>	2009	2008
Expenditures		
Instruction		
Basic programs:		
Pre-school (Pre-K)	\$ 133,242	\$ 133,190
Elementary (K-5)	4,623,768	4,398,851
Junior high (6-8)	2,477,941	2,422,548
Secondary (9-12)	3,828,268	3,942,938
Total basic programs	11,063,219	10,897,527
Added needs:		
Special education	1,506,269	1,443,175
Compensatory education	744,973	701,118
Total added needs	2,251,242	2,144,293
Total instruction	13,314,461	13,041,820
Support Services		
Student services:		
Guidance services	108,362	98,089
Certified occupational therapist assistant	6,992	7,049
Psychologist	82,497	73,940
Speech pathology and audiology	274,178	257,504
Social work services	211,785	204,157
Other student support services	6,120	-
Total student services	689,934	640,739
Instructional staff:		
Improvement of instruction	55,112	90,067
Title II Part D	1,751	1,986
Media	64,509	86,080
Supervisor and director of instructional staff	227,878	220,589
Auditorium	48,846	72,141
Total instructional staff	398,096	470,863
General administration:		
Board of Education	50,112	44,452
Executive administration	611,455	432,902
Total general administration	661,567	477,354

Coopersville Area Public Schools

General Fund Schedule of Uses of Financial Resources

<i>Year ended June 30,</i>	2009	2008
School administration:		
Office of the principal	\$ 1,411,361	\$ 1,564,733
Other support services:		
Fiscal services	316,911	271,181
Other fiscal services	24,050	46,927
Operations and maintenance	2,284,670	2,276,319
Student transportation	950,959	1,016,786
Communications	58,799	55,751
Other services	4,677	15,085
Technology	398,978	461,506
Student accounting	37,632	36,395
Total other support services	4,076,676	4,179,950
Total support services	7,237,634	7,333,639
Community Services		
Drivers education	37,199	24,064
Other services	581,908	520,711
Total community services	619,107	544,775
Debt Retirement		
Redemption of principal	343,349	189,581
Interest expense	20,029	21,716
Total debt retirement	363,378	211,297
Capital Outlay	186,901	105,847
Total expenditures	21,721,481	21,237,378
Other Financing Uses		
Transfers to other funds	383,858	395,656
Total Expenditures and Other Financing Uses	\$ 22,105,339	\$ 21,633,034

**Nonmajor Governmental
Funds**



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Coopersville Area Public Schools

Nonmajor Governmental Funds Combining Balance Sheet

<i>June 30, 2009</i>	Special Revenue			Total
	Food Service	Center Stage	Athletics	
Assets				
Cash	\$ 190,054	\$ 11,944	\$ 99,390	\$ 301,388
Accounts receivable	5,493	525	-	6,018
Inventories	15,157	-	-	15,157
Prepaid expenditures	54,874	-	-	54,874
Total Assets	\$ 265,578	\$ 12,469	\$ 99,390	\$ 377,437
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 12,583	\$ 32	\$ 1,426	\$ 14,041
Due to other funds	66,233	-	-	66,233
Deposits	9,037	-	3,570	12,607
Total liabilities	87,853	32	4,996	92,881
Fund Balances				
Reserved for inventories and prepaid expenditures	70,031	-	-	70,031
Unreserved	107,694	12,437	94,394	214,525
Total fund balances	177,725	12,437	94,394	284,556
Total Liabilities and Fund Balances	\$ 265,578	\$ 12,469	\$ 99,390	\$ 377,437

Coopersville Area Public Schools

Nonmajor Governmental Funds Combining Statement of Revenues, Expenditures and Changes in Fund Balances

<i>Year ended June 30, 2009</i>	Special Revenue			Total
	Food Service	Center Stage	Athletics	
Revenues				
Local sources:				
Food sales	\$ 404,588	\$ -	\$ -	\$ 404,588
Admissions and ticket sales	-	634	142,188	142,822
Rentals	-	5,127	-	5,127
Other local sources	-	-	22,132	22,132
Interest income	1,889	145	843	2,877
State sources	46,583	-	-	46,583
Federal sources	391,274	-	-	391,274
Total revenues	844,334	5,906	165,163	1,015,403
Expenditures				
Salaries	216,718	-	259,371	476,089
Employee benefits	60,171	-	67,161	127,332
Contracted services	100,482	9,784	135,242	245,508
Supplies and food	391,830	5,901	38,882	436,613
Other	1,600	-	26,018	27,618
Total expenditures	770,801	15,685	526,674	1,313,160
Excess (deficiency) of revenues over expenditures	73,533	(9,779)	(361,511)	(297,757)
Other Financing Sources (Uses)				
Transfers to other funds	(66,233)	-	-	(66,233)
Transfers from other funds	-	-	383,858	383,858
Total other financing sources (uses)	(66,233)	-	383,858	317,625
Changes in fund balances	7,300	(9,779)	22,347	19,868
Fund Balances, beginning of year	170,425	22,216	72,047	264,688
Fund Balances, end of year	\$ 177,725	\$ 12,437	\$ 94,394	\$ 284,556



Agency Funds

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Coopersville Area Public Schools

Agency Funds Statement of Changes in Agency Fund Assets and Liabilities

	Balance, July 1, 2008	Additions	Deductions	Balance, June 30, 2009
Assets				
Cash	\$ 240,879	\$ 524,928	\$ 540,491	\$ 225,316
Liabilities				
Due to student groups	\$ 240,879	\$ 524,928	\$ 540,491	\$ 225,316

<i>June 30,</i>	2009					Community Services Activities Fund	Total
	K-2 Student Activities Fund	3-5 Student Activities Fund	6-8 Student Activities Fund	9-12 Student Activities Fund			
	Assets						
Cash	\$ 58,096	\$ 38,493	\$ 36,080	\$ 88,679	\$ 3,968	\$ 225,316	
Liabilities							
Due to student groups	\$ 58,096	\$ 38,493	\$ 36,080	\$ 88,679	\$ 3,968	\$ 225,316	

Coopersville Area Public Schools

Agency Funds Comparative Combining Balance Sheet

2008						
K-2 Student Activities Fund	3-5 Student Activities Fund	6-8 Student Activities Fund	9-12 Student Activities Fund	Community Services Activities Fund	Total	
\$ 59,944	\$ 37,620	\$ 40,641	\$ 95,833	\$ 6,841	\$ 240,879	
\$ 59,944	\$ 37,620	\$ 40,641	\$ 95,833	\$ 6,841	\$ 240,879	

Coopersville Area Public Schools

Analysis of Changes in Amounts Due to Depositors K-2 Student Activities Fund

	Balance, June 30, 2009			Balance, June 30, 2008			Balance, July 1, 2007
		Increases	Decreases		Increases	Decreases	
1st grade	\$ 710	\$ -	\$ -	\$ 710	\$ -	\$ 50	\$ 760
1st grade field trips	82	2,702	2,780	160	3,523	3,907	544
2nd grade field trips	596	600	583	579	3,746	3,851	684
Box Tops for Education	1,441	2,630	2,090	901	580	875	1,196
Interest	6,529	616	1,691	7,604	2,033	1,167	6,738
Kindergarten field trips	167	4,113	3,977	31	3,088	3,215	158
Library fund	1,395	552	339	1,182	82	316	1,416
Migrant	159	-	-	159	75	-	84
Pacer	3,063	-	276	3,339	-	32	3,371
Pepsi	6,433	603	300	6,130	795	-	5,335
Playground	9,098	-	915	10,013	-	1,235	11,248
Pre-1st activities	24	330	330	24	177	177	24
Project Keep	521	-	-	521	-	-	521
QSP	19,404	3,481	1,980	17,903	4,750	1,245	14,398
Sound amplification	138	-	-	138	-	-	138
Special education	1,262	2,229	1,815	848	3,578	4,686	1,956
Special projects	1,481	51	847	2,277	9	1,103	3,371
Valentine Flower Fund	679	999	856	536	1,168	1,000	368
ECDD	1	75	199	125	125	-	-
Miscellaneous	4,913	588	2,439	6,764	1,195	1,928	7,497
	\$ 58,096	\$ 19,569	\$ 21,417	\$ 59,944	\$ 24,924	\$ 24,787	\$ 59,807

Coopersville Area Public Schools

Analysis of Changes in Amounts Due to Depositors 3-5 Student Activities Fund

	Balance, June 30, 2009			Balance, June 30, 2008			Balance, July 1, 2007
	Increases	Decreases	Increases	Decreases	Increases	Decreases	
3rd grade field trip	\$ 400	\$ 3,717	\$ 3,317	\$ -	\$ 2,852	\$ 2,853	\$ 1
4th grade field trip	400	3,267	3,312	445	3,386	4,095	1,154
5th grade field trip	400	8,837	8,437	-	7,388	7,589	201
Accelerated reader	-	-	71	71	-	-	71
Fundraiser	-	-	3,316	3,316	-	-	3,316
Interest	16	335	5,469	5,150	1,335	-	3,815
Library fundraiser	3,928	77	15	3,866	82	179	3,963
Pepsi	7,189	670	2,002	8,521	539	2,019	10,001
Popcorn sales	6,739	1,653	1,146	6,232	1,434	633	5,431
Running Club	725	1,600	1,432	557	1,400	1,363	520
School store	1,847	569	534	1,812	422	307	1,697
Science Fair	1,110	675	560	995	618	375	752
Skating	-	-	4,649	4,649	-	-	4,649
Student Council	59	13	659	705	2,549	2,303	459
Young Authors	32	39	39	32	-	-	32
Miscellaneous	15,648	18,124	3,745	1,269	3,352	4,080	1,997
	\$ 38,493	\$ 39,576	\$ 38,703	\$ 37,620	\$ 25,357	\$ 25,796	\$ 38,059

Coopersville Area Public Schools

Analysis of Changes in Amounts Due to Depositors 6-8 Student Activities Fund

	Balance, June 30, 2009			Balance, June 30, 2008			Balance, July 1, 2007
	Increases	Decreases	Increases	Decreases	Increases	Decreases	
6th grade	\$ 2,794	\$ 13,496	\$ 13,452	\$ 2,750	\$ 11,620	\$ 11,771	\$ 2,901
7th grade	2,364	379	1,422	3,407	314	40	3,133
8th grade	2,094	101	149	2,142	275	-	1,867
Art From the Heart	3,621	2,060	2,055	3,616	2,710	2,523	3,429
Art materials	676	539	136	273	1,775	1,560	58
Book fines	2,003	630	2,084	3,457	1,295	5	2,167
Future Farmers of America	132	377	606	361	302	-	59
GM Box Tops	-	(862)	-	862	-	-	862
Professional development	1,647	-	208	1,855	-	-	1,855
Science Olympiad	-	-	169	169	-	-	169
Ski Club	538	3,654	3,577	461	3,144	2,990	307
Student activity	14,121	30,798	33,198	16,521	31,538	31,993	16,976
Student Congress	2,281	4,718	3,904	1,467	6,485	6,547	1,529
Teacher Flower Fund	-	318	1,376	1,058	1,003	820	875
Team excellence	213	1,573	1,474	114	421	1,219	912
Technology Fund	121	1,149	1,283	255	2,268	2,315	302
Miscellaneous	3,475	5,606	4,004	1,873	3,580	2,075	368
	\$ 36,080	\$ 64,536	\$ 69,097	\$ 40,641	\$ 66,730	\$ 63,858	\$ 37,769

Coopersville Area Public Schools

Analysis of Changes in Amounts Due to Depositors 9-12 Student Activities Fund

	Balance, June 30, 2009			Balance, June 30, 2008			Balance, July 1, 2007
	Increases	Decreases	Increases	Decreases	Decreases		
Academic mentor	\$ 7,032	\$ 8,032	\$ 8,680	\$ 7,680	\$ 8,528	\$ 5,663	\$ 4,815
Annual staff	9,046	30,208	21,424	262	24,365	25,251	1,148
Art Club	956	7,045	6,089	-	-	-	-
Athletic	70	34,898	34,828	-	28,094	28,094	-
Bowling	59	1,852	1,793	-	-	-	-
Boys baseball	2,934	9,890	12,753	5,797	10,335	8,803	4,265
Boys basketball	-	11,724	12,937	1,213	16,282	18,081	3,012
Cheerleading	2,165	7,527	5,826	464	4,972	5,564	1,056
CHS "Our Future"	381	730	1,651	1,302	5,340	5,011	973
Class of 2007	-	-	-	-	-	2,446	2,446
Class of 2008	-	-	-	-	2,985	6,955	3,970
Class of 2009	-	4,016	12,022	8,006	10,250	5,894	3,650
Class of 2010	7,184	10,414	6,700	3,470	4,915	1,463	18
Class of 2011	1,463	5,191	4,043	315	398	83	-
Class of 2012	57	150	93	-	-	-	-
Class of 2013	200	200	-	-	-	-	-
Cross country	3,031	8,795	8,497	2,733	5,892	4,850	1,691
Dance Team	105	3,334	3,343	114	1,105	1,495	504
Diversity	605	743	138	-	-	-	-
Drama	-	18,098	18,105	7	14,001	15,345	1,351
Electrator car	1,891	7,470	8,022	2,443	6,578	7,798	3,663
Football	3,113	21,271	22,901	4,743	22,304	19,616	2,055
Future Farmers of America	3,395	11,682	9,774	1,487	25,325	24,821	983
GAPP	2	1,436	1,654	220	22,675	22,455	-
Girls basketball	3,434	3,809	3,948	3,573	11,964	13,985	5,594
Girls track	1,305	770	449	984	1,051	802	735
Golf	2,678	1,211	1,290	2,757	926	210	2,041
Greenhouse	320	-	-	320	-	-	320
Industrial Arts	2,179	7,628	11,928	6,479	9,503	7,193	4,169
Instrumental music	845	4,644	4,435	636	4,839	4,696	493
Jazz band	20	-	-	20	-	-	20
Media Center	1,538	653	524	1,409	408	479	1,480
National Honor Society	2,377	1,466	1,375	2,286	2,286	1,969	1,969
Parking lot	466	1,499	1,631	598	1,526	1,496	568
Pep Club	790	-	-	790	6	293	1,077
Prom account	511	-	-	511	-	500	1,011
Rietsma Trust	220	620	400	-	220	220	-

Coopersville Area Public Schools

Analysis of Changes in Amounts Due to Depositors 9-12 Student Activities Fund

	Balance, June 30, 2009			Balance, June 30, 2008			Balance, July 1, 2007
	Increases	Decreases	Increases	Decreases	Decreases		
S.A.D.D.	\$ 1,118	\$ 1,176	\$ 99	\$ 41	\$ 413	\$ 493	\$ 121
Ski Club	390	390	-	-	1,288	1,530	242
Soccer	5,106	2,039	1,462	4,529	6,642	3,714	1,601
Softball	5,693	10,709	9,254	4,238	17,617	15,570	2,191
Spanish Club	144	-	-	144	-	-	144
Spirit Shop	1,243	12,111	13,792	2,924	18,037	20,774	5,661
Student Council	2,524	13,266	11,577	835	14,185	15,686	2,336
Student loans	-	-	-	-	2,600	2,600	-
Tennis	2,500	1,816	1,788	2,472	1,718	1,019	1,773
Travel Club	1,477	-	-	1,477	2,040	2,041	1,478
Vocal Music Boosters	995	14,838	15,119	1,276	11,688	11,584	1,172
Volleyball	1,098	1,280	2,636	2,454	2,164	1,230	1,520
Wrestling	3,152	944	1,297	3,505	1,293	860	3,072
Miscellaneous	2,867	47,950	56,402	11,319	54,940	60,421	16,800
	\$ 88,679	\$ 333,525	\$ 340,679	\$ 95,833	\$ 381,698	\$ 379,053	\$ 93,188

Coopersville Area Public Schools

Analysis of Changes in Amounts Due to Depositors Community Services Activities Fund

	Balance, June 30, 2009			Balance, June 30, 2008			Balance, July 1, 2007
	Increases	Decreases		Increases	Decreases		
Senior citizens	\$ 493	\$ 50,493	\$ 53,431	\$ 3,431	\$ 45,080	\$ 43,903	\$ 2,254
Miscellaneous	3,475	17,229	17,164	3,410	9,635	10,193	3,968
	\$ 3,968	\$ 67,722	\$ 70,595	\$ 6,841	\$ 54,715	\$ 54,096	\$ 6,222

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**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***

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Independent Auditors' Report

Board of Education
Coopersville Area Public Schools
Coopersville, Michigan

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Coopersville Area Public Schools (the District) as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated September 30, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the financial statements that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

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

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Coopersville Area Public Schools' basic 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*.


This report is intended solely for the information and use of the Board of Education, management, others within the District, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

BDO Seidman, LLP

Grand Rapids, Michigan
September 30, 2009

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**Report on Compliance
With Requirements Applicable to
Each Major Program and Internal
Control Over Compliance in
Accordance With OMB
Circular A-133**



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Independent Auditors' Report

Board of Education
Coopersville Area Public Schools
Coopersville, Michigan

Compliance

We have audited the compliance of Coopersville Area Public Schools (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, Coopersville Area Public Schools complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of Coopersville Area Public Schools is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with

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requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A control deficiency in the District's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the District's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Education, management, others within the District, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "BDO Seidman, LLP". The signature is written in a cursive, flowing style.

Grand Rapids, Michigan
September 30, 2009

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**Schedule of Expenditures
of Federal Awards**

<i>Year ended June 30, 2009</i>	Federal CFDA Number	Program or Award Amount	Prior Year Expenditures (memorandum only)
Federal Grantor/Pass-Through Grantor/Program/Project Number			
U.S. Department of Education			
Passed through Michigan Department of Education:			
Title I	84.010		
081530-0708		\$ 246,830	\$ 246,830
091530-0809		218,760	-
Title I Migrant Education	84.011		
091890-0809		103,088	-
Title II Part A Improving Teacher Quality	84.367		
080520-0708		94,320	73,839
090520-0809		102,536	-
Title II Part D Technology Literacy Challenge	84.318		
094290-0809		1,887	-
Title III	84.365		
090580-0809		24,904	-
State Stabilization Funds - ARRA	84.394		
092525 0809		950,063	-
<hr/>			
Total passed through Michigan Department of Education			
<hr/>			
Passed through Ottawa Area Intermediate School District:			
Drug Free Schools	84.186		
082860 0708		6,889	6,776
090460 0809		6,045	-
IDEA - Flow Through	84.027		
080450 0708		457,902	457,902
090450 0809		470,715	-
IDEA Transition	84.027		
090490 TS		230	-
PPI	84.173		
080460 0708		12,961	12,961
090460 0809		13,301	-
<hr/>			
Total passed through Ottawa Area Intermediate School District			
<hr/>			
Total U.S. Department of Education			

⁽¹⁾ Write off small differences and close grant.

Coopersville Area Public Schools

Schedule of Expenditures of Federal Awards

Accrued (Deferred) Revenue at July 1, 2008	Adjustments	Current Year Receipts	Current Year Expenditures	Accrued (Deferred) Revenue at June 30, 2009
\$ 14,064	\$ -	\$ 14,064	\$ -	\$ -
-	-	204,763	218,063	13,300
-	-	103,088	103,088	-
10,222	(277) ⁽¹⁾	9,945	-	-
-	-	87,218	100,426	13,208
-	-	1,751	1,751	-
-	-	24,904	24,904	-
-	-	-	950,063	950,063
24,286	(277)	445,733	1,398,295	976,571
114	-	114	-	-
-	-	6,045	6,045	-
228,951	-	228,951	-	-
-	-	235,358	470,715	235,357
-	-	230	230	-
6,480	-	6,480	-	-
-	-	6,651	13,302	6,651
235,545	-	483,829	490,292	242,008
259,831	(277)	929,562	1,888,587	1,218,579

<i>Year ended June 30, 2009</i>	Federal CFDA Number	Program or Award Amount	Prior Year Expenditures (memorandum only)
Federal Grantor/Pass-Through Grantor/Program/Project Number			
U.S. Department of Homeland Security			
Passed through Michigan State Police			
FEMA	97.036		
139-02AE4		\$ 1,875	\$ -
U.S. Department of Health and Human Services			
Passed through Ottawa Area Intermediate School District:			
Medicaid Outreach	93.778		
08/09		2,493	-
U.S. Department of Agriculture			
Passed through Michigan Department of Education:			
Child Nutrition Cluster:			
National School Breakfast	10.553	56,242	-
National School Lunch Program	10.555		
Cash Assistance		280,916	-
Non-Cash Assistance (Bonus Commodities)		129	-
Non-Cash Assistance (Entitlement Commodities)		40,666	-
Total U.S. Department of Agriculture			
Total Federal Financial Assistance			

Coopersville Area Public Schools

Schedule of Expenditures of Federal Awards

Accrued (Deferred) Revenue at July 1, 2008	Adjustments	Current Year Receipts	Current Year Expenditures	Accrued (Deferred) Revenue at June 30, 2009
\$ -	\$ -	\$ 1,875	\$ 1,875	\$ -
-	-	2,493	2,493	-
-	-	56,242	56,242	-
-	-	280,916	280,916	-
(128)	-	8,832	8,960	-
(4,490)	-	40,666	45,156	-
(4,618)	-	386,656	391,274	-
\$ 255,213	\$ (277)	\$ 1,320,586	\$ 2,284,229	\$ 1,218,579

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**Note to
Schedule of Expenditures
of Federal Awards**



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Coopersville Area Public Schools

Note to Schedule of Expenditures of Federal Awards

1. General

Revenues are recognized when the qualifying expenditures have been incurred and all other grant requirements have been met.

Expenditures are recorded under the modified accrual basis of accounting.

Expenditures in this schedule agree with amounts reported in the basic financial statements and financial reports. Amounts reported in the Grant Section Auditors' Report reconcile with this schedule. Inventory values are based on the USDA value for donated food commodities and include spoilage.

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**Schedule of Findings
and Questioned Costs**



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Coopersville Area Public Schools

Schedule of Findings and Questioned Costs Year Ended June 30, 2009

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	no
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	none reported
Noncompliance material to financial statements noted?	no

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	no
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	none reported
Type of auditors' report issued on compliance for major programs:	unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of <i>OMB Circular A-133</i> ?	no

Identification of major programs:

<i>CFDA Number</i>	<i>Name of Federal Program or Cluster</i>
84.394	State Stabilization Funds - ARRA
10.553 and 10.555	Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 300,000
Auditee qualified as low-risk auditee?	yes

Section II - Findings Related to the Financial Statements

There were no findings which are required to be reported under *Government Auditing Standards*.

Section III - Findings and Questioned Costs Federal Award

There were no findings or questioned costs.

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