



The following document was not prepared by the Office of the State Auditor, but was prepared by and submitted to the Office of the State Auditor by a private CPA firm. The document was placed on this web page as it was submitted. The Office of the State Auditor assumes no responsibility for its content or for any errors located in the document. Any questions of accuracy or authenticity concerning this document should be submitted to the CPA firm that prepared the document. The name and address of the CPA firm appears in the document.



WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT

Audited Financial Statements  
For the Year Ended June 30, 2015

WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT

CONTENTS

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS	15
Government-wide Financial Statements	
Exhibit A – Statement of Net Position	16
Exhibit B – Statement of Activities	17
Governmental Funds Financial Statements	
Exhibit C – Balance Sheet	18
Exhibit C-1 – Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	19
Exhibit D – Statement of Revenues, Expenditures and Changes in Fund Balances	20
Exhibit D-1 – Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	21
Fiduciary Funds Financial Statements	
Exhibit E – Statement of Fiduciary Assets and Liabilities	22
Notes to Financial Statements	23
REQUIRED SUPPLEMENTARY INFORMATION	43
Budgetary Comparison Schedule – General Fund	44
Budgetary Comparison Schedule – Title I Basic Fund	45
Schedule of the District's Proportionate Share of the Net Pension Liability	46
Schedule of District Contributions	47
Notes to Required Supplementary Information	48
SUPPLEMENTARY INFORMATION	49
Schedule of Expenditures of Federal Awards	50
Schedule of Instructional, Administrative and Other Expenditures – Governmental Funds	51
OTHER INFORMATION	52
Statement of Revenues, Expenditures and Changes in Fund Balances – General Fund, Last Four Years	53
Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Funds, Last Four Years	54
REPORTS ON INTERNAL CONTROL AND COMPLIANCE	55
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	56
Independent Auditors' Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance Required by OMB Circular A-133	58
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS	60
SCHEDULE OF FINDINGS AND QUESTIONED COST	62
AUDITEE'S CORRECTIVE ACTION PLAN	65

INDEPENDENT AUDITORS' REPORT

**WATKINS, WARD & STAFFORD, PLLC**  
**CERTIFIED PUBLIC ACCOUNTANTS**



**WATKINS, WARD AND STAFFORD**

Professional Limited Liability Company  
Certified Public Accountants

James L. Stafford, CPA  
Harry W. Stevens, CPA  
S. Keith Winfield, CPA  
William B. Stagers, CPA  
Michael W. McCully, CPA  
Mort Stroud, CPA  
R. Steve Sinclair, CPA  
Marsha L. McDonald, CPA  
Wanda S. Holley, CPA  
Robin Y. McCormick, CPA/PFS  
J. Randy Scrivner, CPA

Kimberly S. Caskey, CPA  
Susan M. Lummus, CPA  
Thomas J. Browder, CPA  
Stephen D. Flake, CPA  
John N. Russell, CPA  
Thomas A. Davis, CPA  
Anita L. Goodrum, CPA  
Ricky D. Allen, CPA  
Jason D. Brooks, CPA  
Robert E. Cordle, Jr., CPA  
Perry C. Rackley, Jr., CPA

INDEPENDENT AUDITORS' REPORT

Superintendent and School Board  
West Bolivar Consolidated School District

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Bolivar Consolidated School District as of and for the year ended June 30, 2015, and the related notes to financial statements, which collectively comprise the West Bolivar Consolidated School District's basic financial statements as listed in the contents.

***Management's Responsibility for the Financial Statements***

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

***Auditors' Responsibility***

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

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

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the West Bolivar Consolidated School District, as of June 30, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's

discussion and analysis, budgetary comparison information, the Schedule of the District's Proportionate Share of the Net Pension Liability, and the Schedule of District Contributions on pages 4-14, 44-45, 46 and 47, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the West Bolivar Consolidated School District's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by the Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations (Circular A-133), the Schedule of Instructional, Administrative and Other Expenditures for Governmental Funds, and the other information section, which includes the Statement of Revenues, Expenditures and Changes in Fund Balances—General Fund, Last Four Years and the Statement of Revenues, Expenditures and Changes in Fund Balances—All Governmental Funds, Last Four Years are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying Schedule of Expenditures of Federal Awards, as required by the Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations (Circular A-133) and the Schedule of Instructional, Administrative and Other Expenditures for Governmental Funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information mentioned above is fairly stated in all material respects in relation to the basic financial statements as a whole.

The other information section, which includes the Statement of Revenues, Expenditures and Changes in Fund Balances—General Fund, Last Four Years and the Statement of Revenues, Expenditures and Changes in Fund Balances—All Governmental Funds, Last Four Years has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 22, 2016, on our consideration of the West Bolivar Consolidated School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering West Bolivar Consolidated School District's internal control over financial reporting and compliance.

Watkins, Ward & Stafford PLLC  
Jackson, Mississippi  
April 22, 2016

*Watkins Ward and Stafford, PLLC*

MANAGEMENT'S DISCUSSION AND ANALYSIS

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following discussion and analysis of West Bolivar Consolidated School District's financial performance provides an overview of the School District's financial activities for the year ended June 30, 2015. The intent of this discussion and analysis is to look at the School District's performance as a whole. Readers are encouraged to review the financial statements and the notes to the financial statements to enhance their understanding of the School District's financial performance.

**FINANCIAL HIGHLIGHTS**

- Total net position for 2015 decreased \$18,971,392, including consolidation and prior period adjustments of (\$19,349,482) due primarily to the recording of the net pension liability, which represents a 478% decrease from fiscal year 2014. Total net position for 2014 decreased \$374,794, including a prior period adjustment of (\$14,333), which represents a 9% decrease from fiscal year 2013.
- General revenues amounted to \$11,854,712 and \$11,960,177, or 74% and 70% of all revenues for fiscal years 2015 and 2014, respectively. Program specific revenues in the form of charges for services and grants and contributions accounted for \$4,113,678, or 26% of total revenues for 2015, and \$5,243,550, or 30% of total revenues for 2014.
- The District had \$15,590,300 and \$17,564,188 in expenses for fiscal years 2015 and 2014; only \$4,113,678 for 2015 and \$5,243,550 for 2014 of these expenses were offset by program specific charges for services, grants and contributions. General revenues of \$11,854,712 for 2015 were adequate to provide for these programs. However, \$11,960,177 for 2014 were not adequate to provide for these programs.
- Among the major funds, the General Fund had \$11,416,702 in revenues and \$11,048,730 in expenditures for 2015, and \$10,914,467 in revenues and \$11,906,746 in expenditures for 2014. The General Fund's fund balance increased by \$585,370, including a prior period adjustment of \$9,696 and the fund reclass of Sixteenth Section Interest Funds from Special Revenue Fund to General Fund in the amount of \$459,382, from 2014 to 2015 and increased by \$9,716, including a prior period adjustment of \$17,933, from 2013 to 2014.
- Capital assets, net of accumulated depreciation, decreased by \$216,097 for 2015, including a prior period adjustment of (\$47,795), and decreased by \$240,840 for 2014. The decrease for 2015 was primarily due to adjustments made to record capital assets due to the consolidation of Benoit School District, Shaw School District and West Bolivar School District coupled with the increase in accumulated depreciation.
- Long-term debt decreased by \$397,223 for 2015 and decreased by \$453,226 for 2014. This decrease for 2015 was due primarily to principal payments on long-term debt. The liability for compensated absences increased by \$14,971 for 2015 and decreased by \$17,882 for 2014.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis serves as an introduction to the District's basic financial statements, which include government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains required supplementary information, supplementary information, and other information.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide the reader with a broad overview of the District's finances. These statements consist of the Statement of Net Position and the Statement of Activities, which are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. The current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position presents information on all the District's nonfiduciary assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the differences between the two reported as "net position." Over time, increases or decreases in the District's net position may serve as a useful indicator of whether its financial position is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, non-instructional, sixteenth section, pension expense, and interest on long-term liabilities.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

**Governmental funds** – Most of the District's general activities are reported in its governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental funds are accounted for using the modified accrual basis of accounting and the flow of current financial resources measurement focus. The approach focuses on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at year end. The governmental fund statements provide a detailed view of the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader may gain a better understanding of the long-term impact of the District's near-term financing decisions. The governmental funds Balance Sheet is reconciled to the Statement of Net Position, and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances is reconciled to the Statement of Activities to facilitate this comparison between governmental funds and governmental activities.

The District maintains individual governmental funds in accordance with the *Financial Accounting Manual for Mississippi Public School Districts*. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for all major funds. All non-major funds are combined and presented in these reports as other governmental funds.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Fiduciary funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the District's own programs. These funds are reported using the accrual basis of accounting. The school district is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

**Reconciliation of Government-wide and Fund Financial Statements**

The financial statements include two schedules that reconcile the amounts reported on the governmental funds financial statements (modified accrual basis of accounting) with government-wide financial statements (accrual basis of accounting). The following summarizes the major differences between the two statements:

Capital assets used in governmental activities are not reported on governmental funds financial statements.

Capital outlay spending results in capital assets on government-wide financial statements, but is reported as expenditures on the governmental funds financial statements.

Bond and note proceeds result in liabilities on government-wide financial statements, but are recorded as other financing sources on the governmental funds financial statements.

Certain other outflows represent either increases or decreases in liabilities on the government-wide financial statements, but are reported as expenditures on the governmental funds financial statements.

**Notes to Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found immediately following the basic financial statements.

**Required Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents budgetary comparison schedules as required supplementary information. The District adopts an annual operating budget for all governmental funds. A budgetary comparison schedule has been provided for the General Fund and each additional major special revenue fund as required by the Governmental Accounting Standards Board. Additionally, the Schedule of the District's Proportionate Share of the Net Pension Liability and the Schedule of District's Contributions are presented in this section.

**Supplementary Information**

Additionally, a Schedule of Expenditures of Federal Awards as required by OMB Circular A-133 and a Schedule of Instructional, Administrative and Other Expenditures for governmental funds can be found in this report.

**Other Information**

Although not a required part of the basic financial statements, the Statement of Revenues, Expenditures and Changes in Fund Balances—General Fund, Last Four Years and the Statement of Revenues, Expenditures and Changes in Fund Balances—All Governmental Funds, Last Four Years, is presented for purposes of additional analysis as required by the Mississippi Department of Education.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net position**

Net position may serve over time as a useful indicator of the District's financial position. Liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$15,005,170 as of June 30, 2015.

The District's financial position is a product of several financial transactions including the net result of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets and the depreciation of capital assets.

Table 1 presents a summary of the District's net position at June 30, 2015 and June 30, 2014.

GASB 68 was implemented in fiscal year 2015. Prior year amounts were not restated to reflect the implementation of GASB 68.

**Table 1  
Condensed Statement of Net Position**

	<u>June 30, 2015</u>	<u>June 30, 2014*</u>	<u>Percentage Change</u>
Current assets	\$ 2,447,312	\$ 2,635,751	-7.15 %
Restricted assets	146,205	165,138	-11.46 %
Capital assets, net	3,061,645	3,277,742	-6.59 %
<b>Total assets</b>	<b><u>5,655,162</u></b>	<b><u>6,078,631</u></b>	<b>-6.97 %</b>
<b>Deferred outflows of resources</b>	<b><u>1,591,757</u></b>	<b><u>-</u></b>	<b>N/A %</b>
Current liabilities	169,073	300,024	-43.65 %
Long-term debt outstanding	1,430,133	1,812,385	-21.09 %
Net pension liability	17,589,906	-	N/A %
<b>Total liabilities</b>	<b><u>19,189,112</u></b>	<b><u>2,112,409</u></b>	<b>808.40 %</b>
<b>Deferred inflows of resources</b>	<b><u>3,062,977</u></b>	<b><u>-</u></b>	<b>N/A %</b>
<b>Net position:</b>			
Net investment in capital assets	1,994,256	1,854,742	7.52 %
Restricted	607,477	1,527,064	-60.22 %
Unrestricted (Deficit)	(17,606,903)	584,416	-3112.73 %
<b>Total net position</b>	<b><u>\$ (15,005,170)</u></b>	<b><u>\$ 3,966,222</u></b>	<b>-478.32 %</b>

\*As result of the Regular Session Senate Bill No. 2760 passed by the Mississippi Legislature, on July 1, 2014, the Benoit School District, Shaw School District and West Bolivar School District were consolidated and formed West Bolivar Consolidated School District. The prior year comparison amounts represent all three school districts. See Note 10 for further details.

In connection with the implantation of new standards on accounting and financial reporting for pensions, management presents the following additional information:

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Total unrestricted net position (deficit)	\$ (17,606,903)
Less: unrestricted deficit in net position resulting from the recognition of net pension liability	19,061,126
Unrestricted net position exclusive of net pension liability effect	<u>\$ 1,454,223</u>

The following are significant current year transactions that have had an impact on the Statement of Net Position.

- Decrease in net capital assets in the amount of \$216,097.
- The principal retirement of \$397,223 of long-term debt.
- Net Pension Liability amount of \$17,589,906.
- Deferred inflow of resources amount of \$3,062,977
- Deferred outflow of resources amount of \$1,591,757

**Changes in net position**

The District's total revenues for the fiscal years ended June 30, 2015 and June 30, 2014 were \$15,968,390 and \$17,203,727, respectively. The total cost of all programs and services was \$15,590,300 for 2015 and \$17,564,188 for 2014.

Table 2 presents a summary of the changes in net position for the fiscal years ended June 30, 2015 and June 30, 2014.

GASB 68 was implemented in fiscal year 2015. Prior year amounts were not restated to reflect the implementation of GASB 68.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Table 2  
Changes in Net Position**

	Year Ended June 30, 2015	Year Ended June 30, 2014*	Percentage Change
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 217,625	\$ 556,648	(60.90) %
Operating grants and contributions	3,896,053	4,686,902	(16.87) %
General revenues:			
Property taxes	3,262,138	3,648,848	(10.60) %
Grants and contributions not restricted	7,579,081	7,319,486	3.55 %
Investment earnings	14,246	1,700	738.00 %
Sixteenth section sources	965,269	916,864	5.28 %
Other	33,978	73,279	(53.63) %
<b>Total revenues</b>	<b>15,968,390</b>	<b>17,203,727</b>	<b>(7.18) %</b>
<b>Expenses:</b>			
Instruction	7,142,745	8,013,754	(10.87) %
Support services	6,326,019	8,025,609	(21.18) %
Non-instructional	1,027,819	1,311,871	(21.65) %
Sixteenth section	13,460	120,278	(88.81) %
Pension expense	1,006,695	-	N/A %
Interest on long-term liabilities	73,562	92,676	(20.62) %
<b>Total expenses</b>	<b>15,590,300</b>	<b>17,564,188</b>	<b>(11.24) %</b>
<b>Increase (Decrease) in net position</b>	<b>378,090</b>	<b>(360,461)</b>	<b>204.89 %</b>
<b>Net Position, July 1, as previously reported</b>	<b>N/A</b>	<b>4,341,016</b>	<b>N/A</b>
<b>Statutory Consolidation - West Bolivar School District, June 30, 2014</b>	<b>2,292,625</b>	<b>-</b>	<b>N/A</b>
<b>Statutory Consolidation - Benoit School District, June 30, 2014</b>	<b>709,730</b>	<b>-</b>	<b>N/A</b>
<b>Statutory Consolidation - Shaw School District, June 30, 2014</b>	<b>963,867</b>	<b>-</b>	<b>N/A</b>
<b>Net Position - July 1, at inception</b>	<b>3,966,222</b>	<b>N/A</b>	<b>N/A</b>
<b>Prior Period Adjustment</b>	<b>(19,349,482)</b>	<b>(14,333)</b>	<b>(134,899.53) %</b>
<b>Net Position, July 1, as restated</b>	<b>(15,383,260)</b>	<b>4,326,683</b>	<b>(455.54) %</b>
<b>Net Position, June 30</b>	<b>\$ (15,005,170)</b>	<b>\$ 3,966,222</b>	<b>(478.32) %</b>

\*As result of the Regular Session Senate Bill No. 2760 passed by the Mississippi Legislature, on July 1, 2014, the Benoit School District, Shaw School District and West Bolivar School District were consolidated and formed West Bolivar Consolidated School District. The prior year comparison amounts represent all three school districts. See Note 10 for further details.

**Governmental activities**

The following table presents the cost of six major District functional activities: instruction, support services, non-instructional, sixteenth section, pension expense, and interest on long-term liabilities. The table also shows each functional activity's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost presents the financial burden that was placed on the State and District's taxpayers by each of these functions.

GASB 68 was implemented in fiscal year 2015. Prior year amounts do not reflect the implementation of GASB 68.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Table 3  
Net Cost of Governmental Activities**

	<b>Total Expenses</b>		<b>Percentage Change</b>
	<b>2015</b>	<b>2014*</b>	
Instruction	\$ 7,142,745	\$ 8,013,754	(10.87) %
Support services	6,326,019	8,025,609	(21.18) %
Non-instructional	1,027,819	1,311,871	(21.65) %
Sixteenth section	13,460	120,278	(88.81) %
Pension Expense	1,006,695	-	N/A %
Interest on long-term liabilities	73,562	92,676	(20.62) %
<b>Total expenses</b>	<b>\$ 15,590,300</b>	<b>\$ 17,564,188</b>	<b>(11.24) %</b>

  

	<b>Net (Expense) Revenue</b>		<b>Percentage Change</b>
	<b>2015</b>	<b>2014*</b>	
Instruction	\$ (5,616,574)	\$ (5,862,692)	4.20 %
Support services	(4,854,388)	(5,976,409)	18.77 %
Non-instructional	83,260	(268,583)	131.00 %
Sixteenth section	(8,663)	(120,278)	92.80 %
Pension Expense	(1,006,695)	-	N/A %
Interest on long-term liabilities	(73,562)	(92,676)	20.62 %
<b>Total net (expense) revenue</b>	<b>\$ (11,476,622)</b>	<b>\$ (12,320,638)</b>	<b>6.85 %</b>

\*As result of the Regular Session Senate Bill No. 2760 passed by the Mississippi Legislature, on July 1, 2014, the Benoit School District, Shaw School District and West Bolivar School District were consolidated and formed West Bolivar Consolidated School District. The prior year comparison amounts represent all three school districts. See Note 10 for further details.

- Net cost of governmental activities (\$11,476,622 for 2015 and \$12,320,638 for 2014) was financed by general revenue, which is primarily made up of property taxes (\$3,262,138 for 2015 and \$3,648,848 for 2014) and state and federal revenues (\$7,579,081 for 2015 and \$7,319,486 for 2014 ). In addition, there was \$965,269 and \$916,864 in Sixteenth Section sources for 2015 and 2014, respectively.
- Investment earnings amounted to \$14,246 for 2015 and \$1,700 for 2014.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the District's governmental funds is to provide information on current inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

\$2,480,128, a decrease of \$64,226, which includes a prior period adjustment of \$70,104 and an increase in inventory of \$3,489. \$1,706,443 or 69% of the fund balance is unassigned, which represents the residual classification for the general fund's fund balance that has not been assigned to other funds and that has not been restricted, or assigned to specific purposes within the general fund. The remaining fund balance of \$773,685 or 31% is either nonspendable, restricted or assigned to indicate that it is not available for spending except only for the purposes to which it is restricted or assigned.

The General Fund is the principal operating fund of the District. The increase in fund balance in the General Fund for the fiscal year was \$585,370, including a fund reclassification for the Sixteenth Section Interest Fund in the amount of \$459,382 and a prior period adjustment of \$9,696. The fund balance of Other Governmental Funds showed a decrease in the amount of \$649,596, which includes an increase in inventory of \$3,489, a prior period adjustment of \$60,408 and a fund reclassification for the Sixteenth Section Interest Fund in the amount of (\$459,382). The increase (decrease) in the fund balance for the other major fund was as follows:

<u>Major Fund</u>	<u>Increase (Decrease)</u>
Title I Fund	No increase or decrease

**BUDGETARY HIGHLIGHTS**

During the year, the District revised the annual operating budget. Budget revisions were made to address and correct the original budgets to reflect more accurately the sources and uses of finding for the School District.

A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund and each major special revenue fund is provided in this report as required supplementary information.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** As of June 30, 2015, the District's total capital assets were \$8,136,000, including school buildings, building improvements, improvements other than buildings, mobile equipment, buses, other school vehicles and furniture and equipment. This amount represents a decrease of \$1,017,532 from 2014. The prior year comparison amounts reflects Benoit School District, Shaw School District and West Bolivar School District as a result of the Senate Bill No. 2760 passed by the Mississippi Legislature on July 1, 2014. Total accumulated depreciation as of June 30, 2015, was \$5,074,355, and total depreciation expense for the year was \$211,981, resulting in total net capital assets of \$3,061,645.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Table 4  
Capital Assets, Net of Accumulated Depreciation**

	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>Percentage Change</u>
Land	\$	\$ 1,000	(100.00) %
Buildings	1,758,726	2,090,112	(15.85) %
Building improvements	348,359	348,357	0.00 %
Improvements other than buildings	108,488	146,379	(25.89) %
Mobile equipment	629,953	576,693	9.24 %
Furniture and equipment	216,119	115,075	87.81 %
Leased property under capital lease	-	126	(100.00) %
<b>Total</b>	<b>\$ 3,061,645</b>	<b>\$ 3,277,742</b>	<b>(6.59) %</b>

Additional information on the District's capital assets can be found in Note 5 included in this report.

**Debt Administration.** At June 30, 2015, the District had \$1,430,133 in outstanding long-term debt, of which \$291,045 is due within one year. The prior year comparison amounts reflects Benoit School District, Shaw School District and West Bolivar School District as a result of the Senate Bill No. 2760 passed by the Mississippi Legislature on July 1, 2014. The liability for compensated absences increased \$14,971 from the prior year.

**Table 5  
Outstanding Long-Term Debt**

	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>Percentage Change</u>
Limited obligation bonds payable	\$ 1,060,000	\$ 1,305,000	(18.77) %
Three mill notes payable	-	78,000	(100.00) %
Obligations under energy efficiency leases	296,369	330,592	(10.35) %
Qualified zone academy bonds payable	-	40,000	(100.00) %
Compensated absences payable	73,764	58,793	25.46 %
<b>Total</b>	<b>\$ 1,430,133</b>	<b>\$ 1,812,385</b>	<b>(21.09) %</b>

Additional information on the District's long-term debt can be found in Note 6 included in this report.

**CURRENT ISSUES**

The West Bolivar Consolidated School District is financially stable. The District is proud of its community support of the public schools.

The District's system of financial planning, budgeting, and internal financial controls is well regarded. The District plans to continue its sound fiscal management to meet the challenges of the future.

The District actively pursues grant funding to supplement the local, state, and federal revenues.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

If you have any questions about this report or need additional financial information, contact the Central Office of the West Bolivar Consolidated School District, PO Box 189, Rosedale, MS 38769.

FINANCIAL STATEMENTS

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**

**Statement of Net Position**  
June 30, 2015

**Exhibit A**

	Governmental Activities
<b>Assets</b>	
Cash and cash equivalents	\$ 1,776,140
Due from other governments	653,940
Other receivables, net	100
Inventories	14,132
Prepaid items	3,000
Restricted assets	146,205
Capital assets, net of accumulated depreciation:	
Buildings	1,758,726
Building improvements	348,359
Improvements other than buildings	108,488
Mobile equipment	629,953
Furniture and equipment	216,119
Total Assets	5,855,162
 <b>Deferred Outflows of Resources</b>	
Deferred outflow related to pensions	1,591,757
Total Deferred Outflows of Resources	1,591,757
 <b>Liabilities</b>	
Accounts payable and accrued liabilities	95,121
Unearned revenue	18,288
Unamortized premiums	7,389
Interest payable on long-term liabilities	48,295
Long-term liabilities, due within one year:	
Capital related liabilities	255,000
Non-capital related liabilities	36,045
Long-term liabilities, due beyond one year:	
Capital related liabilities	805,000
Non-capital related liabilities	334,088
Net pension liability	17,589,906
Total Liabilities	19,189,112
 <b>Deferred Inflows of Resources</b>	
Deferred inflow related to pensions	3,062,977
Total Deferred Inflows of Resources	3,062,977
 <b>Net Position</b>	
Net investment in capital assets	1,994,256
Restricted for:	
Expendable:	
School-based activities	356,429
Debt service	164,184
Unemployment benefits	33,481
Forestry Improvements	10,204
Non-expendable:	
Sixteenth section	43,179
Unrestricted	(17,606,903)
Total Net Position (deficit)	\$ (15,005,170)

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

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**

**Statement of Activities**  
For the Year Ended June 30, 2015

**Exhibit B**

Functions/Programs	Expenses	Program Revenues		Governmental Activities
		Charges for Services	Operating Grants and Contributions	
<b>Governmental Activities:</b>				
Instruction	\$ 7,142,745	\$ 174,291	\$ 1,351,880	\$ (5,616,574)
Support services	6,326,019	-	1,471,631	(4,854,388)
Non-instructional	1,027,819	38,537	1,072,542	83,260
Sixteenth Section	13,460	4,797	-	(8,663)
Pension expense	1,006,695	-	-	(1,006,695)
Interest on long-term liabilities	73,562	-	-	(73,562)
<b>Total Governmental Activities</b>	<b>\$ 15,590,300</b>	<b>\$ 217,625</b>	<b>\$ 3,896,053</b>	<b>\$ (11,476,622)</b>

General Revenues:

Taxes:	
General purpose levies	3,220,335
Debt purpose levies	41,803
Unrestricted grants and contributions:	
State	7,513,777
Federal	65,304
Unrestricted investment earnings	14,246
Sixteenth section sources	965,269
Other	33,978
<b>Total General Revenues</b>	<b>11,854,712</b>

Change in Net Position

	378,090
*Statutory Consolidation - Benoit School District, June 30, 2014	709,730
*Statutory Consolidation - West Bolivar School District, June 30, 2014	2,292,625
*Statutory Consolidation - Shaw School District, June 30, 2014	963,867
<b>Net Position - Beginning, at Inception</b>	<b>3,966,222</b>
Prior Period Adjustments	(19,349,482)
<b>Net Position (Deficit) - Beginning, as Restated</b>	<b>(15,383,260)</b>
<b>Net Position (Deficit) - Ending</b>	<b>\$ (15,005,170)</b>

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

\*As a result of the Regular Session Senate Bill No. 2760 passed by the Mississippi Legislature, on July 1, 2014, the Benoit School District, Shaw School District and West Bolivar School District were consolidated and formed West Bolivar Consolidated School District. The final net position of the three consolidated districts are being reported to accurately state the net position of the new entity, West Bolivar Consolidated School District.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**

**Governmental Funds**

**Balance Sheet**  
**June 30, 2015**

**Exhibit C**

	Major Funds			Total Governmental Funds
	General Fund	Title I Fund	Other Governmental Funds	
<b>Assets</b>				
Cash and cash equivalents	\$ 1,399,063	\$ 3,342	\$ 416,914	\$ 1,819,319
Cash with fiscal agents	-	-	103,026	103,026
Due from other governments	150,978	257,158	236,526	644,662
Other receivables, net	100	-	-	100
Due from other funds	357,332	-	18,172	375,504
Inventories	-	-	14,132	14,132
Prepaid items	3,000	-	-	3,000
<b>Total assets</b>	<b>\$ 1,910,473</b>	<b>\$ 260,500</b>	<b>\$ 788,770</b>	<b>\$ 2,959,743</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 81,712	\$ 3,342	\$ 10,067	\$ 95,121
Due to other funds	4,405	257,158	104,663	366,226
Unearned revenue	-	-	18,268	18,268
<b>Total Liabilities</b>	<b>86,117</b>	<b>260,500</b>	<b>132,998</b>	<b>479,615</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Permanent fund principal	-	-	43,179	43,179
Inventory	-	-	14,132	14,132
Prepaid items	3,000	-	-	3,000
<b>Restricted:</b>				
Debt service	-	-	212,479	212,479
Grant activities	-	-	47,269	47,269
Unemployment benefits	-	-	33,481	33,481
Forestry improvements	-	-	10,204	10,204
Food Service	-	-	295,028	295,028
<b>Assigned:</b>				
Activity funds	70,490	-	-	70,490
Special education	44,423	-	-	44,423
<b>Unassigned</b>	<b>1,706,443</b>	<b>-</b>	<b>-</b>	<b>1,706,443</b>
<b>Total Fund Balances</b>	<b>1,824,356</b>	<b>-</b>	<b>655,772</b>	<b>2,480,128</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,910,473</b>	<b>\$ 260,500</b>	<b>\$ 788,770</b>	<b>\$ 2,959,743</b>

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

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**

**Governmental Funds**

**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position** **Exhibit C-1**  
**June 30, 2015**

**Total fund balances for governmental funds** **\$ 2,480,128**

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

1. Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Buildings	4,497,178	
Building improvements	540,239	
Improvements other than buildings	189,254	
Mobile equipment	1,831,631	
Furniture and equipment	1,077,698	
Accumulated depreciation	<u>(5,074,355)</u>	3,061,645
2. Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds:		
Net pension liability	(17,589,906)	
Deferred outflows and inflows related to pensions are applicable to future periods and, therefore, are not reported in the funds		
Deferred outflows of resources related to pensions	1,591,757	
Deferred inflows of resources related to pensions	<u>(3,062,977)</u>	(19,061,126)
3. Long-term liabilities and related accrued interest are not due and payable in the current period and therefore are not reported in the funds:		
Limited obligation bonds payable	(1,060,000)	
Energy efficiency lease obligations	(296,369)	
Bond interest payable	(48,295)	
Compensated absences	(73,764)	
Unamortized bond premiums	<u>(7,389)</u>	(1,485,817)
<b>Net Position of governmental activities</b>		<b><u>\$ (15,005,170)</u></b>

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

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**

**Governmental Funds**

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
For the Year Ended June 30, 2015

**Exhibit D**

	Major Funds			Total Governmental Funds
	General Fund	Title I Fund	Other Governmental Funds	
<b>Revenues:</b>				
Local sources	\$ 3,425,375	\$ -	\$ 84,206	\$ 3,509,581
State sources	6,961,131	-	885,717	7,846,848
Federal sources	65,304	1,724,437	1,838,546	3,628,287
Sixteenth section sources	964,892	-	5,174	970,066
<b>Total Revenues</b>	<b>11,416,702</b>	<b>1,724,437</b>	<b>2,813,643</b>	<b>15,954,782</b>
<b>Expenditures:</b>				
Instruction	6,352,893	733,497	785,841	7,872,231
Support services	4,591,745	757,079	1,358,090	6,706,914
Noninstructional services	35,563	47,041	972,410	1,055,014
Sixteenth section	13,460	-	-	13,460
Debt service:				
Principal	34,223	-	363,000	397,223
Interest	17,595	-	39,120	56,715
Other	3,251	-	1,401	4,652
<b>Total Expenditures</b>	<b>11,048,730</b>	<b>1,537,617</b>	<b>3,519,862</b>	<b>16,106,209</b>
Excess (Deficiency) of Revenues over (under) Expenditures	367,972	186,820	(706,219)	(151,427)
<b>Other Financing Sources (Uses):</b>				
Other financing sources	8,451	-	5,593	14,044
Operating transfers in	18,654	-	451,098	469,752
Operating transfers out	(278,349)	(186,820)	(4,583)	(469,752)
Other financing uses	(436)	-	-	(436)
<b>Total Other Financing Sources (Uses)</b>	<b>(251,680)</b>	<b>(186,820)</b>	<b>452,108</b>	<b>13,608</b>
<b>Net Change in Fund Balances</b>	<b>116,292</b>	<b>-</b>	<b>(254,111)</b>	<b>(137,819)</b>
<b>Fund Balances:</b>				
*Statutory Consolidation - West Bolivar School District, June 30, 2014	714,973	-	871,490	1,586,463
*Statutory Consolidation - Benoit School District, June 30, 2014	137,403	-	58,477	195,880
*Statutory Consolidation - Shaw School District, June 30, 2014	386,610	-	375,401	762,011
July 1, 2014, at inception	1,238,986	-	1,305,368	2,544,354
Fund reclassification	459,382	-	(459,382)	-
Prior period adjustments	9,696	-	60,408	70,104
July 1, 2014, as restated	1,708,064	-	906,394	2,614,458
Increase in inventory	-	-	3,489	3,489
<b>June 30, 2015</b>	<b>\$ 1,824,356</b>	<b>\$ -</b>	<b>\$ 655,772</b>	<b>\$ 2,480,128</b>

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

\*As a result of the Regular Session Senate Bill No. 2760 passed by the Mississippi Legislature, on July 1, 2014, the Benoit School District, Shaw School District and West Bolivar School District were consolidated and formed West Bolivar Consolidated School District. The final fund balances of the three consolidated districts are being reported to accurately state the fund balances of the new entity, West Bolivar Consolidated School District.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**

**Governmental Funds**

**Reconciliation of the Governmental Funds Statement of Revenues,  
Expenditures and Changes in Fund Balances to the Statement of Activities  
For the Year Ended June 30, 2015**

**Exhibit D-1**

**Net change in fund balances - total governmental funds** **\$ (137,819)**

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

1. Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	\$ 43,679	
Depreciation expense	<u>(211,981)</u>	(168,302)

2. The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on Net Position. Also, governmental funds report the effect of premiums, discounts and the difference between the carrying value of refunded debt and the acquisition cost of refunded debt when debt is first issued. These amounts are deferred and amortized in the statement of activities:

Payments of debt principal	397,223	
Accrued interest payable	<u>(15,055)</u>	382,168

3. Some items relating to pensions and reported in the statement of activities do not provide or require the use of current financial resources and therefore are not reported as revenues/expenditures in the governmental funds. These activities include:

Pension expense - current year	(1,006,695)	
Deferred outflows - pensions resulting from contribution made subsequent to the measurement date.	<u>1,317,360</u>	310,665

4. Some items reported in the statement of activities do not provide or require the use of current financial resources and therefore are not reported as revenues/expenditures in governmental funds. These activities include:

Change in compensated absences	(14,971)	
Unamortized bond premiums	2,860	
Change in inventory reserve	<u>3,489</u>	<u>(8,622)</u>

**Change in Net Position of governmental activities** **\$ 378,090**

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

WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT

Fiduciary Funds

Statement of Fiduciary Assets and Liabilities  
June 30, 2015

Exhibit E

	Agency Funds
<b>Assets</b>	
Cash and cash equivalents	\$ 613,806
Due from other funds	737
Total Assets	<u>\$ 614,543</u>
<b>Liabilities</b>	
Accounts payable and accrued liabilities	\$ 584,443
Other payables	737
Due to other funds	10,015
Due to student clubs	19,348
Total Liabilities	<u>\$ 614,543</u>

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

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

**Note 1 – Summary of Significant Accounting Policies**

The accompanying financial statements of the school district have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for governmental accounting and financial reporting principles. The most significant of the school district's accounting policies are described below.

**A. Financial Reporting Entity**

As defined by accounting principles generally accepted in the United States of America, the school district is considered a "primary government". The school district is governed by a five member board to which each member is elected by the citizens of each defined county district. As a result of the Regular Session Senate Bill No. 2760 passed by the Mississippi Legislature, on July 1, 2014, Benoit School District and Shaw School District were consolidated with West Bolivar School District to form a new school district known as West Bolivar Consolidated School District. See Note 10 for further details.

For financial reporting purposes, West Bolivar Consolidated School District has included all funds and organizations. The District has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the District.

**B. Government-wide and Fund Financial Statements**

Government-wide Financial Statements – The Statement of Net Position and the Statement of Activities report information on all of the non-fiduciary activities of the District. The effect of inter-fund activity has been eliminated from the government-wide statements. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for support.

The Statement of Net Position presents the District's non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Net position is reported in three categories:

1. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by outstanding balances of bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.
2. Restricted net position results when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.
3. Unrestricted net position consists of net position not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function, or segment, are offset by program revenues. Direct expenses are those clearly

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational or capital requirements of a particular function. Property taxes and other items not included among program revenues are reported instead as general revenues.

Fund Financial Statements - Separate financial statements are provided for governmental and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other governmental funds.

The school district reports the following major governmental funds:

General Fund - This is the school district's primary operating fund. The general fund is used to account for and report all financial resources not accounted for and reported in another fund.

Title I Fund - This is a special revenue fund that accounts for federal sources received and expenditures incurred under the Title I grants to local educational agencies program.

All other governmental funds not meeting the criteria established for major funds are presented in the other governmental column of the fund financial statements.

The school district also reports fiduciary funds which focus on assets and liabilities only. The District's fiduciary funds include the following:

Payroll Clearing Fund - This fund is used as a clearing fund for payroll type transactions.

Student Club Funds - These various funds account for the monies raised through school club activities and fund raisers and club related expenditures approved by the individual clubs.

Accounts Payable Clearing Fund - This fund is used as a clearing fund for non-payroll type transactions.

Additionally, the school district reports the following fund types:

**GOVERNMENTAL FUNDS**

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Funds - Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Debt Service Funds - Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Permanent Funds - Permanent Funds are used to account for and report resources that are restricted to the extent that only earnings, and not the principal, may be used for purposes that support the district's programs.

**FIDUCIARY FUNDS**

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

Agency Funds - Agency Funds are used to report resources held by the district in a purely custodial capacity (assets equal liabilities) and do not involve measurement of results of operations.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the economic resources measurement focus and the accrual basis of accounting, as are the Fiduciary Fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred or economic asset used, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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. Measurable means knowing or being able to reasonably estimate the amount. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and judgments, are recorded only when payment is due.

Federal grants and assistance awards made on the basis of entitlement periods are recorded as receivables and revenues when entitlement occurs. Federal reimbursement type grants are recorded as revenues when the related expenditures are recognized. Use of grant resources is conditioned upon compliance with terms of the grant agreements and applicable federal regulations, which include subjecting grants to financial and compliance audits.

Property taxes, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual.

Ad valorem property taxes are levied by the governing authority of the county on behalf of the school district based upon an order adopted by the school board of the school district requesting an ad valorem tax effort in dollars. Since the taxes are not levied and collected by the school district, the revenues to be generated by the annual levies are not recognized until the taxes are actually collected by the tax levying authority.

Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

The effect of inter-fund activity has been eliminated from the government-wide statements.

Revenues from the Mississippi Adequate Education Program are appropriated on a fiscal year basis and are recorded at the time the revenues are received from the State of Mississippi.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

The account classifications used in the financial statements conform to the broad classifications recommended in *Governmental Accounting, Auditing, and Financial Reporting*, issued in 2012 by the Government Finance Officers Association and are consistent with the broad classifications recommended in *Financial Accounting for Local and State School Systems, 2003*, issued by the U.S. Department of Education.

**D. Encumbrances**

An encumbrance system is not maintained to account for commitments resulting from approved purchase orders, work orders and contracts.

**E. Assets, liabilities, deferred outflows/inflows, and net position/fund balances**

1. Cash, Cash equivalents and Investments

Cash and cash equivalents

The district's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The school district deposits excess funds in the financial institutions selected by the school board. State statutes specify how these depositories are to be selected.

Investments

The school district can invest its excess funds, as permitted by Section 29-3-113, Miss. Code Ann. (1972), in interest-bearing deposits or other obligations of the types described in Section 27-105-33, Miss. Code Ann. (1972), or in any other type investment in which any other agency, instrumentality or subdivision of the State of Mississippi may invest, except that 100% of said funds are authorized to be so invested.

For accounting purposes, certificates of deposit are classified as investments if they have an original maturity greater than three months when acquired.

Investments for the district are reported at fair market value.

2. Receivables and payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e. the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

3. Due from Other Governments

Due from other governments represents amounts due from the State of Mississippi and various grants and reimbursements from other governments.

4. Inventories and Prepaid Items

Donated commodities are received from the USDA and are valued at USDA cost. Other

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

inventories are valued at cost (calculated on the first-in, first-out basis). The costs of governmental fund type inventories are reported as expenditures when purchased.

Prepaid items, such as prepaid insurance, are not reported for governmental fund types since the costs of such items are accounted for as expenditures in the period of acquisition.

5. **Restricted Assets**

Certain resources set aside for repayment of debt are classified as restricted assets on the Statement of Net Position because their use is limited by applicable debt statutes, e.g. Qualified Zone Academy Bond sinking funds. Also, the nonexpendable portion of the Permanent Fund, if applicable, is classified as restricted assets because the 16<sup>th</sup> Section Principal fund is not available for use by the district except as provided for under state statute for loans from this fund.

6. **Capital Assets**

Capital assets include land, improvements to land, easements, water rights, timber rights, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Capital assets are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Position. Capital assets are recorded at historical cost or estimated historical cost based on appraisals or deflated current replacement cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost in excess of the thresholds in the table below.

Capital acquisition and construction are reflected as expenditures in the Governmental Fund statements and the related assets are reported as capital assets in the governmental activities column in the government-wide financial statements.

Depreciation is calculated on the straight-line basis for all assets, except land.

The following schedule details the capitalization thresholds:

	Capitalization Policy	Estimated Useful Life
Land	\$ 0	0
Buildings	50,000	40 years
Building improvements	25,000	20 years
Improvements other than buildings	25,000	20 years
Mobile equipment	5,000	5-10 years
Furniture and equipment	5,000	3-7 years
Leased property under capital leases	*	*

(\*) The threshold amount will correspond with the amounts for the asset classifications, as listed. See Note 5 for details.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

7. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The school district has incurred deferred outflows which are presented as a deferred outflow from advance refunding of debt and a deferred outflow related to pensions. See Note 14 for further details.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The school district has incurred a deferred inflow which is presented as a deferred inflow related to pensions. See Note 14 for further details.

8. Compensated Absences

Employees of the school district accumulate sick leave at a minimum amount as required by state law. A greater amount may be provided by school district policy provided that it does not exceed the provisions for leave as provided in Sections 25-3-93 and 25-3-95. Some employees are allowed personal leave and/or vacation leave in accordance with school district policy. The district pays for unused leave for employees as required by Section 37-7-307(5), Miss. Code Ann. (1972).

The liability for these compensated absences is recorded as a long-term liability in the government-wide statements. The current portion of this liability is estimated based on historical trends. In the fund financial statements, governmental funds report the liability for compensated absences from expendable available financial resources only if the payable has matured, for example, an employee retires.

9. Long-term Liabilities and Bond Discounts/Premiums

In the government-wide financial statements, outstanding debt is reported as liabilities. Bond discounts or premiums and the difference between reacquisition price and the net carrying value of refunded debt are capitalized and amortized over the terms of the respective bonds using a method that approximates the effective interest method.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures. See Note 6 for details.

10. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System of Mississippi (PERS) and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, the benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

11. Fund Balances

Fund balance for governmental funds is reported in classifications that comprise a

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balance is classified as nonspendable, restricted, committed, assigned or unassigned. Following are descriptions of fund classifications used by the district:

*Nonspendable fund balance* includes items that cannot be spent. This includes activity that is not in a spendable form (inventories, prepaid amounts, long-term portion of loans/notes receivable, or property held for resale unless the proceeds are restricted, committed, or assigned) and activity that is legally or contractually required to remain intact, such as a principal balance in a permanent fund.

*Restricted fund balance* includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

*Committed fund balance* includes amounts that can be used only for the specific purposes pursuant to constraints imposed by a formal action of the School Board, the District's highest level of decision-making authority. This formal action is a resolution approved by the School Board. Currently there is no committed fund balance for this school district.

*Assigned fund balance* includes amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the general fund, this is the residual amount within the fund that is not restricted or committed. Assignments of fund balance are created by the Superintendent and the Business Manager pursuant to authorization established by the District's approved fund balance policy.

*Unassigned fund balance* is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative unassigned fund balance.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) resources are available, it is the District's general policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned, and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the District's general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

It is the goal of the District to achieve and maintain an unassigned fund balance in the general fund at fiscal year-end of not less than 7% of general revenues. If the unassigned fund balance at fiscal year-end falls below the goal, the District shall develop a restoration plan to achieve and maintain the minimum fund balance.

**F. New Pronouncements**

In June 2012, the GASB issued GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures. For defined benefit pensions, note disclosure and required supplementary information requirements about pensions also are addressed. This Statement was effective for fiscal years beginning after June 15, 2014.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

**Note 2 – Cash and Cash Equivalents, Cash with Fiscal Agents, and Investments**

The district follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Restrictions on deposits and investments are imposed by statutes as follows:

**Deposits.** The school board must advertise and accept bids for depositories no less than once every three years as required by Section 37-7-333, Miss. Code Ann. (1972). The collateral pledged for the school district's deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation.

**Cash and Cash Equivalents**

The carrying amount of the school district's deposits with financial institutions reported in the governmental funds and fiduciary funds was \$1,819,319 and \$613,806, respectively. The carrying amount of deposits in the government-wide financial statements was reported as cash and cash equivalents in the amount of \$1,776,140 and restricted assets in the amount of \$146,205 (see Note 4).

*Custodial Credit Risk - Deposits.* Custodial credit risk is defined as the risk that, in the event of the failure of a financial institution, the district will not be able to recover deposits or collateral securities that are in the possession of an outside party. The district does not have a deposit policy for custodial credit risk. However, the Mississippi State Treasurer manages that risk on behalf of the district. Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the district. As of June 30, 2015, none of the district's bank balance of \$3,361,046 was exposed to custodial credit risk.

**Cash with Fiscal Agents**

The carrying amount of school district's cash with fiscal agents held by financial institutions was \$103,026. This amount is reflected as restricted assets on Exhibit A

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

**Note 3 – Inter-fund Receivables, Payables and Transfers**

The following is a summary of inter-fund transactions and balances:

**A. Due From/To Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Title I Fund	\$ 257,158
	Other Governmental Funds	95,974
	Fiduciary Fund	4,200
Fiduciary Fund	General Fund	737
Other Governmental Funds	General Fund	3,668
	Fiduciary Fund	5,815
	Other Governmental Funds	8,689
Total		<u>\$ 376,241</u>

The purpose of the more significant interfund loans was to eliminate deficit cash balances in certain federal program funds as part of the normal year end closing adjustments. Fiduciary funds accumulate interest earnings that are due from the General Fund at year end.

**B. Inter-fund Transfers**

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
General Fund	Title I Fund	\$ 18,653
	Other Governmental Funds	1
Other Governmental Funds	General Fund	278,349
	Title I Fund	168,167
	Other Governmental Funds	4,582
Total		<u>\$ 469,752</u>

The primary purpose of the inter-fund transfers out of the general fund and into the other governmental funds was to finance basic operations of the district that are not directly funded.

**Note 4 – Restricted Assets**

The restricted assets represent the cash balance totaling \$43,179, of the Sixteenth Section Principal Fund (Permanent Fund) which is legally restricted and may not be used for purposes that support the district's programs.

In addition, the restricted assets represent the cash with fiscal agents balance totaling \$103,026, MAEP Retirement Fund.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

**Note 5 – Capital Assets**

The following is a summary of changes in capital assets for governmental activities:

	Balance 7/1/2014*	Increases	Decreases	Adjustments	Balance 6/30/2015
<b>Governmental Activities:</b>					
<u>Non-depreciable capital assets:</u>					
Land	\$ 1,000			(1,000)	-
Total non-depreciable capital assets	1,000	-	-	(1,000)	-
<u>Depreciable capital assets:</u>					
Buildings	5,527,475			(1,030,297)	4,497,178
Building improvements	540,238			1	540,239
Improvements other than buildings	256,435			(67,181)	189,254
Mobile equipment	1,743,099			88,532	1,831,631
Furniture and equipment	1,072,685	43,679		(51,266)	1,065,098
Leased property under capital lease	12,600				12,600
Total depreciable capital assets	9,152,532	43,679	-	(1,060,211)	8,136,000
<u>Less accumulated depreciation for:</u>					
Buildings	3,437,363	34,891		(733,802)	2,738,452
Building improvements	191,881	21,609		(21,610)	191,880
Improvements other than buildings	110,056	4,989		(34,279)	80,766
Mobile equipment	1,166,406	90,310		(55,038)	1,201,678
Furniture and equipment	957,610	60,182		(168,687)	849,105
Leased property under capital lease	12,474				12,474
Total accumulated depreciation	5,875,790	211,981	-	(1,013,416)	5,074,355
Total depreciable capital assets, net	3,276,742	(168,302)	-	(46,795)	3,061,645
Governmental activities capital assets, net	\$ 3,277,742	\$ (168,302)	\$ -	(47,795)	3,061,645

\* As a result of the Regular Session Senate Bill No. 2760 passed by the Mississippi Legislature, on July 1, 2014, the Benoit School District, Shaw School District and West Bolivar School District were consolidated and formed West Bolivar Consolidated School District. The prior year comparison amounts represent all three school districts. See Note 10 for further details.

Adjustments were made to properly present capital assets at year end.

Depreciation expense was charged to the following governmental functions:

	Amount
<b>Governmental activities:</b>	
Instruction	\$ 77,538
Support services	121,390
Non-instructional	13,053
Total depreciation expense - Governmental activities	\$ 211,981

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

**Note 6 – Long-term Liabilities**

The following is a summary of changes in long-term liabilities and other obligations for governmental activities:

	Balance 7/1/2014*	Additions	Reductions	Balance 6/30/2015	Amounts due within one year
A. Limited obligation bonds payable	\$ 1,305,000	\$	\$ 245,000	\$ 1,060,000	\$ 255,000
B. Three mill notes payable	78,000		78,000	-	-
C. Obligations under energy efficiency leases	330,592		34,223	296,369	36,045
D. Qualified zone academy bond payable	40,000		40,000	-	-
F. Compensated absences payable	58,793	14,971		73,764	-
Total	<u>\$ 1,812,385</u>	<u>\$ 14,971</u>	<u>\$ 397,223</u>	<u>\$ 1,430,133</u>	<u>\$ 291,045</u>

\* As a result of the Regular Session Senate Bill No. 2760 passed by the Mississippi Legislature, on July 1, 2014, the Benoit School District, Shaw School District and West Bolivar School District were consolidated and formed West Bolivar Consolidated School District. The prior year comparison amounts represent all three school districts. See Note 10 for further details.

**A. Limited obligation bonds payable**

Limited obligation bonds are direct obligations and pledge the full faith and credit of the school district. Limited obligation bonds currently outstanding are as follows:

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
State aid capital improvement bonds, series 1998	5.00%	5/1/1998	2/1/2018	\$ 2,600,000	\$ 275,000
State aid capital improvement bonds, series 2010	2.0-2.5%	12/1/2010	2/1/2018	1,425,000	785,000
Total				<u>\$ 4,025,000</u>	<u>\$ 1,060,000</u>

Limited obligation bonds issued May 1, 1998:

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

Year Ending June 30	Principal	Interest	Total
2016	\$ 65,000	\$ 12,125	\$ 77,125
2017	65,000	8,875	73,875
2018	145,000	5,500	150,500
<b>Total</b>	<b>\$ 275,000</b>	<b>\$ 26,500</b>	<b>\$ 301,500</b>

Limited obligation bonds issued December 1, 2010:

Year Ending June 30	Principal	Interest	Total
2016	\$ 190,000	\$ 15,800	\$ 205,800
2017	195,000	11,950	206,950
2018	400,000	7,563	407,563
<b>Total</b>	<b>\$ 785,000</b>	<b>\$ 35,313</b>	<b>\$ 820,313</b>

The following is a schedule by years of the total payments due on this debt:

Year Ending June 30	Principal	Interest	Total
2016	\$ 255,000	\$ 27,925	\$ 282,925
2017	260,000	20,825	280,825
2018	545,000	13,063	558,063
<b>Total</b>	<b>\$ 1,060,000</b>	<b>\$ 61,813</b>	<b>\$ 1,121,813</b>

This debt will be retired from the Debt Service Fund.

**B. Three mill notes payable**

This debt was paid off and retired from the District Maintenance Fund.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

**C. Obligations under energy efficiency leases**

Debt currently outstanding is as follows:

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
Energy Lease	5.00%	11/9/2006	7/1/2021	\$ 535,804	\$ 296,369
Total				<u>\$ 535,804</u>	<u>\$ 296,369</u>

The following is a schedule by years of the total payments due on this debt:

Year Ending June 30	Principal	Interest and Maintenance Charges	Total
2016	36,045	15,773	51,818
2017	37,963	13,855	51,818
2018	39,984	11,834	51,818
2019	42,112	9,706	51,818
2020	44,353	7,465	51,818
2021-2022	95,912	7,724	103,636
Total	<u>\$ 296,369</u>	<u>\$ 66,357</u>	<u>\$ 362,726</u>

An energy efficient lease agreement dated November 9, 2006, was executed by and between the district, the lessee, and Government Capital Corporation, the lessor.

The agreement authorized the borrowing of \$535,804 for the purchase of energy efficiency equipment, machinery, supplies, building modifications and other energy saving items. Payments of the lease shall be made from the District Maintenance Fund and not exceed fifteen (15) years.

The district entered into this energy efficiency lease agreement under the authority of Section 31-7-14, Miss. Code Ann. (1972).

Upon written notice to the lessor, the lessee has the option of repaying the total amount due as set forth by the agreement.

**D. Qualified zone academy bond payable**

This debt was paid off and retired from the Three Mill Notes Retirement Fund.

**E. Compensated absences payable**

As more fully explained in Note 1(E)(8), compensated absences payable is adjusted on an annual basis as required by Section 37-7-307(5), Miss. Code Ann. (1972). Compensated absences will be paid from the fund from which the employees' salaries were paid.

**Note 7 – Defined Benefit Pension Plan**

**General Information about the Pension Plan**

*Plan Description.* The school district contributes to the Public Employees' Retirement System of

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

Mississippi (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Plan provisions and the Board of Trustees' authority to determine contribution rates are established by Miss. Code Ann. Section 25-11-1 et seq., (1972, as amended) and may be amended only by the Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required Supplementary information. That report may be obtained by writing to Public Employees' Retirement System of Mississippi, PERS Building, 429 Mississippi Street, Jackson, MS 39201 or by calling (601) 359-3589 or 1-800-444-PERS.

*Benefits provided.* Membership in PERS is a condition of employment granted upon hiring for qualifying employees and officials of the State of Mississippi, state universities, community and junior colleges, and teachers and employees of the public school districts. For those persons employed by political subdivisions and instrumentalities of the State of Mississippi, membership is contingent upon approval of the entity's participation in PERS by the PERS' Board of Trustees. If approved, membership for the entity's employees is a condition of employment and eligibility is granted to those who qualify upon hiring. Participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0 percent of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.5 percent for each additional year of creditable service with an actuarial reduction in the benefit for each year of creditable service below 30 years or the number of years in age that the member is below 65, whichever is less. Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007). PERS also provides certain death and disability benefits. A Cost-of-Living Adjustment (COLA) payment is made to eligible retirees and beneficiaries. The COLA is equal to 3.0 percent of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3.0 percent compounded for each fiscal year thereafter. Plan provisions are established and may be amended only by the State of Mississippi Legislature.

*Contributions.* PERS members are required to contribute 9.00% of their annual covered salary, and the school district is required to contribute at an actuarially determined rate. The employer's rate as of June 30, 2015 was 15.75% of annual covered payroll. The contribution requirements of PERS members and employers are established and may be amended only by the State of Mississippi Legislature. The school district's contributions to PERS for the fiscal years ending June 30, 2015, 2014 and 2013 were \$1,317,360, \$1,394,656 and \$1,306,242 respectively, which equaled the required contributions for each year.

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

At June 30, 2015, the school district reported a liability of \$17,589,906 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the school district's long-term share of contribution to the pension plan relative to projected contributions of all participating entities, actuarially determined. At June 30, 2014, the school district's proportion was 0.144914% percent.

For the year ended June 30, 2015, the District recognized pension expense of \$1,006,695. At June 30, 2015 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 274,397	
Net difference between projected and actual earnings on pension plan investments		\$ 2,549,786
Changes of assumptions		
Changes in proportion and differences between District contributions and proportionate share of contributions		\$ 513,191
 District contributions subsequent to the measurement date	 1,317,360	
Total	\$ 1,591,757	\$ 3,062,977

\$1,317,360 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (723,343)
2017	(723,343)
2018	(704,446)
2019	(637,448)
Thereafter	-0-

*Actuarial assumptions.* The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.5 percent
Salary increases	4.25 – 19.50 percent, including inflation
Investment rate of return	8.00 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table Projected with Scale AA to 2025, set forward two years for males.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2012. The experience report is dated June 12, 2013.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Broad	34 %	5.20 %
International Equity	19	5.00
Emerging Markets Equity	8	5.45
Fixed Income	20	0.25
Real Assets	10	4.00
Private Equity	8	6.15
Cash	1	(0.50)
Total	<u>100 %</u>	

*Discount rate.* The discount rate used to measure the total pension liability was 8.00 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.* The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 8 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7 percent) or 1-percentage-point higher (9 percent) than the current rate:

	<u>1% Decrease (7.00%)</u>	<u>Current Discount Rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
District's proportionate share of the net pension liability	\$ 23,980,288	\$ 17,589,906	\$ 12,259,378

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

**Note 8 – Risk Management**

The school district is exposed to various risks of loss related to torts; theft of damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Except as described below, the district carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**Participation in Public Entity Risk Pool**

The school district is a member of the Mississippi School Boards Association Workers' Compensation Trust (MSBAWCT). The trust is a risk-sharing pool; such a pool is frequently referred to as a self-insurance pool. The trust consists of approximately 77 school districts and covers risks of loss arising from injuries to the members' employees. The Mississippi Workers' Compensation Commission requires that an indemnity agreement be executed by each member in a workers' compensation self-insurance pool for the purpose of jointly and severally binding the pool and each of the employers comprising the group to meet the workers' compensation obligations of each member. Each member of MSBAWCT contributes quarterly to a fund held in trust by Wells Fargo in Portland, Oregon. The funds in the trust account are used to pay any claim up to \$750,000. For a claim exceeding \$750,000, MSBAWCT has insurance which will pay the excess up to the statutory amount required by the Mississippi Workers' Compensation Commission Act. If total claims during a year were to deplete the trust account, then the member school districts would be required to pay for the deficiencies. The district has not had an additional assessment for excess losses incurred by the pool.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

**Note 9 – Sixteenth Section Lands**

Sixteenth section school lands, or lands granted in lieu thereof, constitute property held in trust for the benefit of the public schools. The school board, under the general supervision of the Office of the Secretary of State, has control and jurisdiction of said school trust lands and of all funds arising from any disposition thereof. It is the duty of the school board to manage the school trust lands and all funds arising therefrom as trust property. Accordingly, the board shall assure that adequate compensation is received for all users of the trust lands, except for uses by the public schools. The following are the future rental payments to be made to the school district for the use of the school trust lands. These future rental payments are from existing leases and do not anticipate renewals or new leases.

Year Ending June 30	Amount
2016	\$ 919,052
2017	919,052
2018	875,302
2019	874,602
2020	371,998
2021 – 2025	335,168
2026 – 2030	77,154
2031 – 2035	38,678
2036 – 2040	19,398
Thereafter	19,878
<b>Total</b>	<b>\$ 4,450,282</b>

**Note 10 – Consolidation of Benoit, Shaw and West Bolivar School Districts**

As a result of the Regular Session Senate Bill No. 2760 passed by the Mississippi Legislature, on July 1, 2014, the Benoit School District and Shaw School District were consolidated with West Bolivar School District to form a new school district known as West Bolivar Consolidated School District. The intent of the statutory consolidation is to enable West Bolivar Consolidated School District to save money and provide better education. The initial opening balances of West Bolivar Consolidated School District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position, as of the beginning of the period, were determined on the basis of the carrying values reported in the separate financial statements of Benoit School District, West Bolivar School and Shaw School District as of June 30, 2015 as follows:

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

	Benolt School District	Shaw School District	West Bolivar School District	Total	Adjustments Debt (Credit)	Total
<b>Assets</b>						
Current Assets	\$ 162,055	\$ 1,002,599	\$ 1,471,097	\$ 2,635,751	\$ -	\$ 2,635,751
Restricted Assets	47,394	1,159	116,585	165,138	-	165,138
Capital Assets	561,010	633,687	2,083,045	3,277,742	-	3,277,742
<b>Total Assets</b>	<b>770,459</b>	<b>1,637,445</b>	<b>3,670,727</b>	<b>6,078,631</b>	<b>-</b>	<b>6,078,631</b>
<b>Deferred Outflows of Resources</b>						
	-	-	-	-	-	-
<b>Liabilities</b>						
Current Liabilities	13,569	248,475	37,980	300,024	-	300,024
Noncurrent Liabilities	47,160	425,103	1,340,122	1,812,385	-	1,812,385
<b>Total Liabilities</b>	<b>60,729</b>	<b>673,578</b>	<b>1,378,102</b>	<b>2,112,409</b>	<b>-</b>	<b>2,112,409</b>
<b>Deferred Inflows of Resources</b>						
	-	-	-	-	-	-
<b>Net Position</b>						
Net Investment in Capital Assets	521,010	220,687	1,113,045	1,854,742	-	1,854,742
Restricted	58,507	623,579	844,978	1,527,064	-	1,527,064
Unrestricted	130,213	119,601	334,602	584,416	-	584,416
<b>Total Net Position (Deficit)</b>	<b>709,730</b>	<b>963,867</b>	<b>2,292,625</b>	<b>3,966,222</b>	<b>-</b>	<b>3,966,222</b>

**Note 11 – Prior Period Adjustments**

A summary of the prior period adjustments to Net Position/Fund Balance are as follows:

Exhibit B - Statement of Activities

Explanation	Amount	
1. Implementation of GASB 68 and 71:	\$	\$
Net pension liability (measurement date)	(20,766,447)	
Deferred outflows - contributions made during fiscal year 2014	1,394,656	
Total prior period adjustment related to GASB 68 and 71		(19,371,791)
2. Adjustments were made to properly present capital assets		(47,795)
3. See explanation below		70,104
<b>Total</b>	<b>\$</b>	<b>(19,349,482)</b>

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

Exhibit D - Statement of Revenues, Expenditures and Changes in Fund Balances

Fund	Explanation	Amount
General Fund	To adjust receivables	\$ (975)
General Fund	To adjust ad valorem	2,026
General Fund	To setup due to/from funds	(5,748)
General Fund	To adjust Benoit, Shaw and West Bolivar fund balances	14,393
Other Governmental	To reclassify due to/from funds	3,579
Other Governmental	To adjust Benoit and Shaw fund balances	56,829
Total		\$ 70,104

**Note 12 – Contingencies**

Federal Grants – The school district has received federal grants for specific purposes that are subject to audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowances resulting from the grantor audit may become a liability of the school district.

Litigation – The school district is party to legal proceedings, many of which occur in the normal course of governmental operations. It is not possible at the present time to estimate the outcome or liability, if any, of the school district with respect to the various proceedings. However, the school district's legal counsel believes that ultimate liability resulting from these lawsuits will not have a material adverse effect on the financial condition of the school district.

**Note 13 – Fund Reclassification**

The Sixteenth Section Interest Fund beginning balance of \$459,382 was reclassified from the Special Revenue Fund to the General Fund, effective July 1, 2014. This change was necessary to meet the requirements of GASB 54 and to stay in compliance with the reporting requirements based on Sections 29-3-115 and 29-3-117, Miss. Code of 1972.

**Note 14 – Effect of Deferred Amounts of Net Position**

The unrestricted net position amount of (\$17,606,903) includes the effect of deferring the recognition of expenses resulting from a deferred outflow from pensions. The \$1,591,757 balance of deferred outflow of resources, at June 30, 2015 will be recognized as an expense and will decrease the unrestricted net position over the next 3 years.

The unrestricted net position amount of (\$17,606,903) includes the effect of deferring the recognition of revenue resulting from a deferred inflow from pensions. The \$3,062,977 balance of deferred inflow of resources, at June 30, 2015 will be recognized as revenue and will increase the unrestricted net position over the next 3 years.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Notes to Financial Statements**

**Note 15 – Subsequent Events**

Events that occur after the Statement of Net Position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position date require disclosure in the accompanying notes. Management of the West Bolivar Consolidated School District evaluated the activity of the district through April 22, 2016, and determined that there were no subsequent events that should be noted in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
Required Supplementary Information

**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual (GAAP Basis)	Variances	
				Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
<b>Revenues:</b>					
Local sources	\$ 3,801,200	\$ 3,936,966	\$ 3,425,375	\$ 135,766	\$ (511,591)
State sources	6,223,415	6,270,081	6,961,131	46,666	691,050
Federal sources	66,000	147,000	65,304	81,000	(81,696)
Sixteenth section sources	956,850	993,489	964,892	36,639	(28,597)
<b>Total Revenues</b>	<b>11,047,465</b>	<b>11,347,536</b>	<b>11,416,702</b>	<b>300,071</b>	<b>69,166</b>
<b>Expenditures:</b>					
Instruction	6,380,302	6,362,957	6,352,893	17,345	10,064
Support services	4,790,294	4,854,098	4,591,745	(63,804)	262,353
Noninstructional services	35,957	73,694	35,563	(37,737)	38,131
Sixteenth section	106,646	106,646	13,460	-	93,186
Facilities acquisition and construction	-	-	-	-	-
Debt service:					
Principal	52,818	52,818	34,223	-	18,595
Interest	-	-	17,595	-	(17,595)
Other	300	300	3,251	-	(2,951)
<b>Total Expenditures</b>	<b>11,366,317</b>	<b>11,450,513</b>	<b>11,048,730</b>	<b>(84,196)</b>	<b>401,783</b>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<b>(318,852)</b>	<b>(102,977)</b>	<b>367,972</b>	<b>215,875</b>	<b>470,949</b>
<b>Other Financing Sources (Uses):</b>					
Insurance loss recoveries	200	3,174	-	2,974	(3,174)
Operating transfers in	809,741	809,741	18,654	-	(791,087)
Other financing sources	-	7,151	8,451	7,151	1,300
Operating transfers out	(850,000)	(927,125)	(278,349)	(77,125)	648,776
Other financing uses	(624)	(624)	(436)	-	188
<b>Total Other Financing Sources (Uses)</b>	<b>(40,683)</b>	<b>(107,683)</b>	<b>(251,680)</b>	<b>(67,000)</b>	<b>(143,997)</b>
<b>Net Change in Fund Balances</b>	<b>(359,535)</b>	<b>(210,660)</b>	<b>116,292</b>	<b>148,875</b>	<b>326,952</b>
<b>Fund Balances:</b>					
July 1, 2014, as previously reported	1,834,357	1,834,357	N/A	-	N/A
Satutory Consolidation - West Bolivar School District, June 30, 2014	-	-	714,973	-	714,973
Satutory Consolidation - Benoit School District, June 30, 2014	-	-	137,403	-	137,403
Statutory Consolidation - Shaw School District, June 30, 2014	-	-	386,610	-	386,610
July 1, 2014, at inception	-	-	1,238,986	-	-
Fund reclassification	-	-	459,382	-	459,382
Prior period adjustments	(155)	(155)	9,696	-	9,851
July 1, 2014, as restated	1,834,202	1,834,202	1,708,064	-	1,708,219
<b>June 30, 2015</b>	<b>\$ 1,474,667</b>	<b>\$ 1,623,542</b>	<b>\$ 1,824,356</b>	<b>\$ 148,875</b>	<b>\$ 2,035,171</b>

The accompanying notes to required supplementary information are an integral part of this schedule

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**

**Required Supplementary Information**

**Budgetary Comparison Schedule  
Title I Fund  
For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual (GAAP Basis)	Variances Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
<b>Revenues:</b>					
Local Sources	\$	\$ 164	\$	\$ 164	\$ (164)
Federal Sources	1,641,869	2,008,292	1,724,437	366,423	(283,855)
<b>Total Revenues</b>	<b>1,641,869</b>	<b>2,008,456</b>	<b>1,724,437</b>	<b>366,587</b>	<b>(284,019)</b>
<b>Expenditures:</b>					
Instruction	712,999	764,658	733,497	(51,659)	31,161
Support Services	667,370	982,385	757,079	(315,015)	225,306
Noninstructional Services	61,500	28,419	47,041	33,081	(18,622)
<b>Total Expenditures</b>	<b>1,441,869</b>	<b>1,775,462</b>	<b>1,537,617</b>	<b>(333,593)</b>	<b>237,845</b>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<b>200,000</b>	<b>232,994</b>	<b>186,820</b>	<b>32,994</b>	<b>(46,174)</b>
<b>Other Financing Sources (Uses):</b>					
Operating transfers out	(200,000)	(232,830)	(186,820)	(32,830)	46,010
<b>Total Other Financing Sources (Uses)</b>	<b>(200,000)</b>	<b>(232,830)</b>	<b>(186,820)</b>	<b>(32,830)</b>	<b>46,010</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>164</b>	<b>-</b>	<b>164</b>	<b>(164)</b>
<b>Fund Balances:</b>					
July 1, 2014, at inception	-	-	-	-	-
<b>June 30, 2015</b>	<b>\$ -</b>	<b>164</b>	<b>-</b>	<b>164</b>	<b>(164)</b>

The accompanying notes to required supplementary information are an integral part of this schedule.

**West Bolivar Consolidated School District  
Required Supplementary Information**

Schedule of the District's Proportionate Share of the Net Pension Liability  
PERS  
Last 10 Fiscal Years\*

		2015
District's proportion of the net pension liability (asset)	\$	17,589,906
District's proportionate share of the net pension liability (asset)		0.144914%
District's covered - employee payroll		8,854,959
District's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll		198.644698%
Plan fiduciary net position as a percentage of the total pension liability		67.207687%

The notes to required supplementary information are an integral part of this schedule.

\*The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the year prior to the fiscal year presented.

This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB 68 was implemented in FYE 6/30/15, and, until a full 10-year trend is compiled, the District has only presented information for the years in which information is available.

**West Bolivar Consolidated School District  
Notes to Required Supplementary Information**

Schedule of District Contributions  
PERS  
Last 10 Fiscal Years\*

Contractually required contribution	\$ <u>2015</u> 1,317,360
Contributions in relation to the contractually required contribution	1,317,360
Contribution deficiency (excess)	\$ <u>                    </u> -
District's covered - employee payroll	8,364,190
Contributions as a percentage of covered - employee payroll	15.75%

The notes to required supplementary information are an integral part of this schedule.

\*This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB 68 was implemented in FYE 6/30/15, and, until a full 10-year trend is compiled, the District has only presented information for the years in which information is available.

Budgetary Comparison Schedule

(1) Basis of Presentation

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the GAAP basis, variances between the original budget and the final budget, and variances between the final budget and the actual data.

(2) Budget Amendments and Revisions

The budget is adopted by the school district and filed with the taxing authority. Amendments can be made on the approval of the school board. By statute, final budget revisions must be approved on or before October 15. A budgetary comparison is presented for the General Fund and each major Special Revenue Fund consistent with accounting principles generally accepted in the United States of America.

Pension Schedules

(1) Changes of benefit terms

There were no changes of benefit terms for the FYE 6/30/2015.

(2) Changes of assumptions

There were no changes of assumptions for the FYE 6/30/2015.

SUPPLEMENTARY INFORMATION

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Supplementary Information**

**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2015**

Federal Grantor/Pass-through Grantor/Program Title	Catalog of Federal Domestic Assistance No.	Federal Expenditures
<b><u>U.S. Department of Agriculture</u></b>		
Passed-through Mississippi Department of Education:		
Child nutrition cluster:		
School breakfast program	10.553	\$ 379,338
National school lunch program	10.555	616,645
Summer Feeding	10.559	32,428
		1,028,411
Total child nutrition cluster		1,028,411
Total passed-through Mississippi Department of Education		1,028,411
<b>Total U.S. Department of Agriculture</b>		1,028,411
<b><u>Federal Communications Commission</u></b>		
Administered through the Universal Service Administrative Company:		
The schools and libraries program of the universal service fund	32.xxx	30,927
<b>Total Federal Communications Commission</b>		30,927
<b><u>U.S. Department of Education</u></b>		
Passed-through Mississippi Department of Education:		
Title I grants to local educational agencies	84.010	1,740,744
Career and technical education - basic grants to states	84.048	16,374
Rural education	84.358	17,148
21st Century Learning	84.287	87,134
Improving teacher quality state grants	84.367	169,234
Subtotal		2,030,634
Special education cluster:		
Special education - grants to states	84.027	386,434
Special education - preschool grants	84.173	18,209
Total special education cluster		404,643
Total passed-through Mississippi Department of Education		2,435,277
<b>Total U.S. Department of Education</b>		2,435,277
<b><u>U.S. Department of Health and Human Services</u></b>		
Passed-through the Mississippi Department of Education:		
Medical assistance program	93.778	34,377
Total passed-through Mississippi Department of Education		34,377
<b>Total U.S. Department of Health and Human Services</b>		34,377
<b>Total for All Federal Awards</b>		<b>\$ 3,528,992</b>

**NOTES TO SCHEDULE**

1. This schedule was prepared using the same basis of accounting and the same significant accounting policies, as applicable, used for the financial statements.
2. The expenditure amounts include transfers out.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Supplementary Information**

**Schedule of Instructional, Administrative and Other Expenditures - Governmental Funds**  
**For the Year Ended June 30, 2015**

Expenditures	Total	Instruction and Other Student Instructional Expenditures	General Administration	School Administration	Other
Salaries and fringe benefits	\$ 11,634,998	8,635,233	1,060,334	862,319	1,077,112
Other	4,471,211	1,103,463	324,779	6,427	3,036,542
<b>Total</b>	<b>\$ 16,106,209</b>	<b>9,738,696</b>	<b>1,385,113</b>	<b>868,746</b>	<b>4,113,654</b>
Total number of students *	1,358				
Cost per student	\$ 11,860	7,171	1,020	640	3,029

For purposes of this schedule, the following columnar descriptions are applicable:

Instruction and Other Student Instructional Expenditures - includes the activities dealing directly with the interaction between teachers and students. Included here are the activities of teachers, teachers aides or classroom assistants of any type.

General Administration - includes expenditures for the following functions: Support Services - General Administration and Support Services - Business.

School Administration - includes expenditures for the following function: Support Services - School Administration.

Other - includes all expenditure functions not included in Instruction or Administration Categories.

\* includes the number of students reported on the ADA report submission for month 9, which is the final submission for the fiscal year

OTHER INFORMATION

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**

**Other Information**

**Statement of Revenues, Expenditures and Changes in Fund Balances**

**General Fund**

**Last Four Years**

**UNAUDITED**

	2015	2014*	2013*	2012*
<b>Revenues:</b>				
Local sources	\$ 3,425,375	3,914,098	3,578,630	3,501,293
State sources	6,961,131	6,922,388	7,184,980	7,353,917
Federal sources	65,304	77,981	160,250	229,358
Sixteenth section sources	964,892			
<b>Total Revenues</b>	<b>11,416,702</b>	<b>10,914,467</b>	<b>10,923,860</b>	<b>11,084,568</b>
<b>Expenditures:</b>				
Instruction	6,352,893	6,096,296	6,076,568	6,275,194
Support services	4,591,745	5,653,146	5,333,761	4,978,820
Noninstructional services	35,563	78,431	61,851	108,816
Facilities acquisition and construction	-	15,013	60,030	-
Sixteenth section	13,460			
Debt service:				
Principal	34,223	32,494	94,260	87,786
Interest	17,595	31,366	22,172	25,454
Other	3,251	-	-	1,753
<b>Total Expenditures</b>	<b>11,048,730</b>	<b>11,906,746</b>	<b>11,648,642</b>	<b>11,477,823</b>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<b>367,972</b>	<b>(992,279)</b>	<b>(724,782)</b>	<b>(393,255)</b>
<b>Other Financing Sources (Uses):</b>				
Bonds and notes issued		27,656	-	67,770
Insurance recoveries		7,018	-	30,502
Other financing sources	8,451	5,852	-	-
Other financing uses	(436)	-	-	(432)
Operating transfers in	18,654	1,080,118	818,811	579,095
Operating transfers out	(278,349)	(136,582)	(116,922)	(344,241)
<b>Total Other Financing Sources (Uses)</b>	<b>(251,680)</b>	<b>984,062</b>	<b>701,889</b>	<b>332,694</b>
<b>Net Change in Fund Balances</b>	<b>116,292</b>	<b>(8,217)</b>	<b>(22,893)</b>	<b>(60,561)</b>
<b>Fund Balances:</b>				
Beginning of period, as previously reported	N/A	1,229,270	1,259,026	1,520,622
Statutory Consolidation - West Bolivar School District, June 30, 2014	714,973	-	-	-
Statutory Consolidation - Benoit School District, June 30, 2014	137,403	-	-	-
Statutory Consolidation - Shaw School District, June 30, 2014	386,610	-	-	-
Beginning of period, at inception	1,238,986			
Prior period adjustments	9,696	17,933	(6,863)	(201,035)
Fund Reclassification	459,382	-	-	-
Beginning of period, as restated	1,708,064	1,247,203	1,252,163	1,319,587
<b>End of Period</b>	<b>\$ 1,824,356</b>	<b>1,238,986</b>	<b>1,229,270</b>	<b>1,259,026</b>

\*SOURCE - PRIOR YEAR AUDIT REPORTS

\*As a result of the Regular Session Senate Bill No. 2760 passed by the Mississippi Legislature, on July 1, 2014, the Benoit School District, Shaw School District and West Bolivar School District were consolidated and formed West Bolivar Consolidated School District. The prior year comparison amounts represent all three school districts. See Note 10 for further details.

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**

**Other Information**

**Statement of Revenues, Expenditures and Changes in Fund Balances**

**All Governmental Funds**

**Last Four Years**

**UNAUDITED**

	2015	2014*	2013*	2012*
<b>Revenues:</b>				
Local sources	\$ 3,509,581	4,126,651	3,855,472	3,793,844
State sources	7,846,848	7,776,955	8,067,386	8,070,570
Federal sources	3,628,287	4,371,921	5,448,004	6,528,036
Sixteenth section sources	970,066	916,864	780,473	704,253
<b>Total Revenues</b>	<b>15,954,782</b>	<b>17,192,391</b>	<b>18,151,335</b>	<b>19,096,703</b>
<b>Expenditures:</b>				
Instruction	7,872,231	7,918,251	8,367,680	9,136,157
Support services	6,706,914	7,931,484	8,070,540	7,893,951
Noninstructional services	1,055,014	1,265,679	1,230,768	1,275,800
Facilities acquisition and construction	-	15,013	60,030	-
Sixteenth section	13,460	120,278	84,055	55,257
Debt service:				
Principal	397,223	501,848	540,727	372,218
Interest	56,715	83,026	71,541	100,816
Other	4,652	1,486	421	3,403
<b>Total Expenditures</b>	<b>16,106,209</b>	<b>17,837,065</b>	<b>18,425,762</b>	<b>18,837,602</b>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<b>(151,427)</b>	<b>(644,674)</b>	<b>(274,427)</b>	<b>259,101</b>
<b>Other Financing Sources (Uses):</b>				
Bonds and notes issued	-	27,656	-	67,770
Insurance recoveries	-	7,018	-	30,502
Other financing sources	14,044	5,852	-	-
Other financing uses	(436)	-	-	(24,398)
Operating transfers in	469,752	1,716,722	1,042,426	1,002,975
Operating transfers out	(469,752)	(1,716,722)	(1,042,426)	(1,002,975)
<b>Total Other Financing Sources (Uses)</b>	<b>13,608</b>	<b>40,526</b>	<b>0</b>	<b>73,874</b>
<b>Net Change in Fund Balances</b>	<b>(137,819)</b>	<b>(604,148)</b>	<b>(274,427)</b>	<b>332,975</b>
<b>Fund Balances:</b>				
Beginning of period, as previously reported	N/A	3,141,252	3,426,885	3,031,628
Statutory Consolidation - West Bolivar School District, June 30, 2014	1,586,463	-	-	-
Statutory Consolidation - Benoit School District, June 30, 2014	195,880	-	-	-
Statutory Consolidation - Shaw School District, June 30, 2014	782,011	-	-	-
Beginning of period, at inception	2,544,354			
Prior period adjustments	70,104	6,633	(4,506)	63,794
Beginning of period, as restated	2,614,458	3,147,885	3,422,379	3,095,422
Increase (Decrease) in reserve for inventory	3,489	617	(6,700)	(1,512)
<b>End of Period</b>	<b>\$ 2,480,128</b>	<b>2,544,354</b>	<b>3,141,252</b>	<b>3,426,885</b>

\*SOURCE - PRIOR YEAR AUDIT REPORTS

\*As a result of the Regular Session Senate Bill No. 2760 passed by the Mississippi Legislature, on July 1, 2014, the Benoit School District, Shaw School District and West Bolivar School District were consolidated and formed West Bolivar Consolidated School District. The prior year comparison amounts represent all three school districts. See Note 10 for further details.

REPORTS ON INTERNAL CONTROL AND COMPLIANCE



**WATKINS, WARD AND STAFFORD**  
 Professional Limited Liability Company  
 Certified Public Accountants

James L. Stafford, CPA  
 Harry W. Stevens, CPA  
 S. Keith Winfield, CPA  
 William B. Stagers, CPA  
 Michael W. McCully, CPA  
 Mort Stroud, CPA  
 R. Steve Sinclair, CPA  
 Marsha L. McDonald, CPA  
 Wanda S. Holley, CPA  
 Robin Y. McCormick, CPA/PFS  
 J. Randy Scrivner, CPA

Kimberly S. Caskey, CPA  
 Susan M. Lummus, CPA  
 Thomas J. Browder, CPA  
 Stephen D. Flake, CPA  
 John N. Russell, CPA  
 Thomas A. Davis, CPA  
 Anita L. Goodrum, CPA  
 Ricky D. Allen, CPA  
 Jason D. Brooks, CPA  
 Robert E. Cordle, Jr., CPA  
 Perry C. Rackley, Jr., CPA

**Independent Auditors' 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***

Superintendent and School Board  
 West Bolivar Consolidated School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of West Bolivar Consolidated School District, as of and for the year ended June 30, 2015, and the related notes to financial statements, which collectively comprise West Bolivar Consolidated School District's basic financial statements, and have issued our report thereon dated April 22, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered West Bolivar Consolidated School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of West Bolivar Consolidated School District's internal control. Accordingly, we do not express an opinion on the effectiveness of West Bolivar Consolidated School District's internal control. A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency. **2015-01**

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

**Compliance and Other Matters**

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

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

Watkins, Ward & Stafford PLLC  
Jackson, Mississippi  
April 22, 2016

*Watkins Ward and Stafford, PLLC*



**WATKINS, WARD AND STAFFORD**  
Professional Limited Liability Company  
Certified Public Accountants

James L. Stafford, CPA  
Harry W. Stevens, CPA  
S. Keith Winfield, CPA  
William B. Staggers, CPA  
Michael W. McCully, CPA  
Mort Stroud, CPA  
R. Steve Sinclair, CPA  
Marsha L. McDonald, CPA  
Wanda S. Holley, CPA  
Robin Y. McCormick, CPA/PFS  
J. Randy Scrivner, CPA

Kimberly S. Caskey, CPA  
Susan M. Lummus, CPA  
Thomas J. Browder, CPA  
Stephen D. Flake, CPA  
John N. Russell, CPA  
Thomas A. Davis, CPA  
Anita L. Goodrum, CPA  
Ricky D. Allen, CPA  
Jason D. Brooks, CPA  
Robert E. Cordle, Jr., CPA  
Perry C. Rackley, Jr., CPA

**Independent Auditors' Report  
On Compliance For Each Major Federal Program; Report on Internal Control Over Compliance  
Required by OMB Circular A-133**

Superintendent and School Board  
West Bolivar Consolidated School District

**Report on Compliance for Each Major Federal Program**

We have audited West Bolivar Consolidated School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of West Bolivar Consolidated School District's major federal programs for the year ended June 30, 2015. West Bolivar Consolidated School District's major federal programs are identified in the summary of Auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of West Bolivar Consolidated School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with 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 West Bolivar Consolidated School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of West Bolivar Consolidated School District's compliance.

**Opinion on Each Major Federal Program**

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

**Report on Internal Control Over Compliance**

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

program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of West Bolivar Consolidated School District's internal control over compliance.

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

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

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

Watkins, Ward & Stafford PLLC  
Jackson, Mississippi  
April 22, 2016

*Watkins Ward and Stafford, PLLC*

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS



**WATKINS, WARD AND STAFFORD**  
 Professional Limited Liability Company  
 Certified Public Accountants

James L. Stafford, CPA  
 Harry W. Stevens, CPA  
 S. Keith Winfield, CPA  
 William B. Staggers, CPA  
 Michael W. McCully, CPA  
 Mort Stroud, CPA  
 R. Steve Sinclair, CPA  
 Marsha L. McDonald, CPA  
 Wanda S. Holley, CPA  
 Robin Y. McCormick, CPA/PFS  
 J. Randy Scrivner, CPA

Kimberly S. Caskey, CPA  
 Susan M. Lummus, CPA  
 Thomas J. Browder, CPA  
 Stephen D. Flake, CPA  
 John N. Russell, CPA  
 Thomas A. Davis, CPA  
 Anita L. Goodrum, CPA  
 Ricky D. Allen, CPA  
 Jason D. Brooks, CPA  
 Robert E. Cordle, CPA  
 Perry C. Rackley, Jr., CPA

**INDEPENDENT AUDITORS' REPORT  
 ON COMPLIANCE WITH STATE LAWS AND REGULATIONS**

Superintendent and School Board  
 West Bolivar Consolidated School District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Bolivar Consolidated School District as of and for the year ended June 30, 2015, which collectively comprise West Bolivar Consolidated School District's basic financial statements and have issued our report thereon dated April 22, 2016. 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.

Section 37-9-18(3)(a), Miss. Code Ann. (1972), states in part, "the auditor shall test to insure that the school district is complying with the requirements of Section 37-61-33(3)(a)(iii), Miss. Code Ann. (1972), relating to classroom supply funds." As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain other state laws and regulations. However, providing an opinion on compliance with all state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of our procedures performed to test compliance with the requirements of Section 37-61-33(3)(a)(iii), Miss. Code Ann. (1972), disclosed no instances of noncompliance. The district reported a zero balance of classroom supply funds carried over from previous years.

Section 37-9-18(3)(b), Miss. Code Ann. (1972), states in part, "the auditor shall test to insure correct and appropriate coding at the function level. The audit must include a report showing the correct and appropriate functional level expenditure codes in expenditures by the school district."

The results of our procedures performed to test compliance with the requirements of Section 37-9-18(3)(b), Miss. Code Ann. (1972), disclosed no instances of noncompliance related to incorrect or inappropriate functional level expenditure coding.

As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain other state laws and regulations. However, providing an opinion on compliance with all state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of procedures performed to test compliance with certain other state laws and regulations and our audit of the financial statements did not disclose any instances of noncompliance with other state laws and regulations.

This report is intended solely for the information and use of the Superintendent and School Board and management, entities with accreditation overview, and federal awarding agencies, the Office of the State Auditor and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Watkins, Ward & Stafford PLLC  
 Jackson, Mississippi  
 April 22, 2016

*Watkins Ward and Stafford, PLLC*

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**WEST BOLIVAR CONSOLIDATED SCHOOL DISTRICT**  
**Schedule of Findings and Questioned Costs**  
**For Year Ended June 30, 2015**

Section I: Summary of Auditors' Results

Financial Statements:

- |    |   |            |
|----|---|------------|
| 1. | Type of Auditors' report issued:                      | Unmodified |
| 2. | Internal control over financial reporting:            |            |
|    | a. Material weaknesses identified?                    | No         |
|    | b. Significant deficiencies identified?               | Yes        |
| 3. | Noncompliance material to financial statements noted? | No         |

Federal Awards:

- |    |  |  |
|----|--|--|
| 4. | Internal control over major programs:  |  |
|    | a. Material weakness identified?   | No   |
|    | b. Significant deficiency identified?  | None Reported                                |
| 5. | Type of Auditors' report issued on compliance for major programs:  | Unmodified                                   |
| 6. | Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? | None reported                                |
| 7. | Identification of major programs:  |  |
|    | <u>CFDA Numbers</u>  | <u>Name of Federal Program or Cluster</u>    |
|    | 10.553; 10.555; 10.559   | Child Nutrition Cluster                      |
|    | 84.010   | Title I Grants to Local Educational Agencies |
| 8. | Dollar threshold used to distinguish between type A and type B programs:   | \$300,000                                    |
| 9. | Auditee qualified as low-risk auditee?   | No   |

Section II: Financial Statement Findings

Significant Deficiency Not Considered to Be a Material Weakness

**2015-01 Finding**

Business administration department internal controls related to sixteenth section leases should be strengthened to safeguard against and to ensure the district properly manages and collects the lease revenue in a timely manner.

Management is responsible for establishing a proper internal control system to ensure strong financial accountability and that all leases are up to date and lease revenue is properly collected.

During our tests of internal controls we noted the following:

We identified two leases that were not paid within the audit year and the board did not send out the proper termination letters to the lessees. The state requires the superintendent of education keep a current docket as to the expiration date of all leases on sixteenth section lands; likewise, he shall keep a correct, current docket upon the existing leases or any extensions thereof as to the amounts and time of payment of rentals provided for by such lease. It shall be the duty of the superintendent of education to collect promptly all rentals due and all principal and interest due upon loans and investments of sixteenth section funds. Upon a sixty (60) day default in payment of any rentals according to the terms of such lease, the lease shall be declared terminated unless the board of education finds extenuating circumstances were present, and the board shall inaugurate the proper legal proceedings to terminate such lease.

**Recommendation**

We recommend that the district strengthen its internal controls and properly monitor all sixteenth section leases and to adhere to the state laws to ensure all lease rentals are collected.

Section III: Federal Award Findings and Questioned Costs

The results of our tests did not disclose any findings and questioned costs related to the federal awards.

AUDITEE'S CORRECTIVE ACTION PLAN

**West Bolivar Consolidated School District**  
909 Highway 8  
Rosedale, MS 38769  
James Johnson-Waldington, Superintendent  
Wandra Wade, Business Manager

**AUDITEE'S CORRECTIVE ACTION PLAN**

As required by Section 29-3-57 of the Mississippi Code, the West Bolivar Consolidated School District has prepared and hereby submits the following corrective action plan for the finding included in the Schedule of Findings and Questioned Costs for the Year Ended June 30, 2015:

Finding

Corrective Action Plan Details

2015-01

a. Name of the contact person responsible for corrective action

Name: Wandra Wade  
Title: Business Manager  
Phone Number: (662) 759-3525

b. Corrective action planned:

Management has hired someone to properly manage the leases and to make sure that all lease rentals are timely collected or the proper correspondence has been sent to the Lessees.

c. Anticipated completion date:

June 30, 2016