

HOMER CENTRAL SCHOOL DISTRICT

Homer, New York

EXTRACLASSROOM REPORT

June 30, 2015

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Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Homer Central School District
Homer, New York

We have audited the accompanying financial statements of the Extraclassroom Activity Funds of Homer Central School District (the School District), which comprise the Statement of Assets and Fund Balance - Cash Basis as of June 30, 2015, and the related Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Balance for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and fund balance of the Extraclassroom Activity Funds of the School District, as of June 30, 2015, and the cash receipts, cash disbursements, and changes in fund balance, thereof for the year then ended in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

A handwritten signature in cursive script that reads "Lisa Chi, Dietershagen, Little, Minkler & Company CP".

September 29, 2015
Ithaca, New York

HOMER CENTRAL SCHOOL DISTRICT
EXTRACLASROOM ACTIVITY FUNDS
STATEMENT OF ASSETS AND FUND BALANCE - CASH BASIS
JUNE 30, 2015

Cash		
Intermediate	\$	9,705
Jr. High		5,099
High School		49,772
Investment in Certificate of Deposit		
High School		<u>20,000</u>
Total Assets	\$	<u><u>84,576</u></u>
Fund Balance	\$	<u><u>84,576</u></u>

See Independent Auditor's Report and Accompanying Notes to Financial Statements

HOMER CENTRAL SCHOOL DISTRICT
EXTRACLASROOM ACTIVITY FUNDS
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Fund Balance</u> <u>June 30, 2014</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Fund Balance</u> <u>June 30, 2015</u>
Class of 2014	\$ 3,860	\$ 165	\$ 4,025	\$ -0-
Class of 2015	2,595	21,671	17,755	6,511
Class of 2016	2,765	17,606	17,117	3,254
Class of 2017	8	4,768	2,250	2,526
Class of 2018	-0-	1,421	1,089	332
6th Grade Play	3,121	402	282	3,241
Blue Band	5,219	2,329	2,899	4,649
Bookstore - Intermediate	510			510
Bookstore Jr. High	3,053		2,252	801
Chorus and Band Jr. High	133	20,034	20,408	(241)
Drama Club Jr. High	2	1		3
Env/Sci Outing Club	1,776		292	1,484
Future Farmers	25	7,829	7,764	90
HS Choir	5,947	64,404	65,209	5,142
Interest Income	73	26		99
International Club	19,243	46,880	60,566	5,557
Library Club Jr. High	332	2,494	2,486	340
Musical Theater	4,075	7,224	7,640	3,659
National Honor Society	616	1,431	1,862	185
Odyssey	6,886	9,496	8,084	8,298
Olympian	1,516			1,516
SADD	2,414	1,125	885	2,654
Sales Tax	84	254	254	84
Science Club Jr. High	1,577	9,643	9,912	1,308
Shakespearean Society	7,070	6,487	6,185	7,372
Student Council Intermediate	3,237	8,181	6,945	4,473
Student Council Jr. High	2,775	9,964	10,638	2,101
Student Government	6,317	3,450	2,004	7,763
THANCS	8		8	-0-
Varsity Club	7,447	55,416	54,324	8,539
Video Club	420	139	559	-0-
Winterguard	318	50	312	56
Yearbook Intermediate	1,480			1,480
Yearbook Jr. High	790			790
Totals	<u>\$ 95,692</u>	<u>\$ 302,890</u>	<u>\$ 314,006</u>	<u>\$ 84,576</u>

See Independent Auditor's Report and Accompanying Notes to Financial Statements

HOMER CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

Note 1 - Summary of Significant Accounting Policies

The Student Extraclassroom Activity Funds of Homer Central School District (the School District) represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. Therefore, these funds are included in the Agency Fund of the School District's basic financial statements. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and designation of student management.

Student Extraclassroom Activity Funds included in this report were formed only for educational and school service purposes in accordance with Schools District's rules and regulations for the conduct, operation, and maintenance of Extraclassroom activities.

The accounts of the Extraclassroom Activity Funds of the School District are maintained on a cash basis of accounting, and the Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Balance reflects only cash received and disbursed. Therefore, receivables and payables, inventories, long-lived assets, and accrued income and expenses, which would be recognized under generally accepted accounting principles, and which may be material in amount, are not recognized in the accompanying financial statements.

Note 2 - Cash and Investments - Custodial Credit, Concentration of Credit, and Interest Rate Risks

The Student Extraclassroom Activity Funds cash and cash equivalents consist of cash on hand and demand deposits. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Company (FDIC) insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and Districts. Investments are stated at fair value.

Custodial credit risk is the risk that in the event of a bank failure, the Student Extraclassroom Activity Fund's deposits may not be returned to it. While the Student Extraclassroom Activity Fund does not have a specific policy for custodial credit risk, New York State statutes govern the School District's investment policies, as discussed previously in these notes. Governmental Accounting Standards Board (GASB) Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the School District's name.

The Student Extraclassroom Activity Fund's aggregate bank balances of \$74,258 are either insured or collateralized with securities held by the pledging financial institution in the School District's name.

HOMER CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

The Student Extraclassroom Activity Fund has few investments (certificates of deposit), and chooses to disclose its investments by specifically identifying each. The School District's investment policy for these investments is also governed by New York State statutes. Investments are stated at fair value, and are categorized as either:

1. Insured or registered, or investments held by the School District or by the School District's agent in the School District's name, or
2. Uninsured and unregistered, with investments held by the financial institution's trust department in the School District's name, or
3. Uninsured and unregistered, with investments held by the financial institution or its trust department, but not in the School District name.

Cost	Carrying Amount Fair Value	Type of Investment	Category
\$ 20,000	\$ 20,000	Certificate of Deposit	(1)

The School District does not typically purchase investments for long enough duration to cause it to believe that it is exposed to any material interest rate risk.