

Snake River School District No. 52

Year Ended June 30, 2019

Audited Financial Statements



SNAKE RIVER SCHOOL DISTRICT NO. 52

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Independent Auditor's Report

Board of Trustees
Snake River School District No. 52

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 Snake River School District No. 52 (the School) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Qualified Opinion on Governmental Activities

Management has elected not to adopt the provisions of GASB 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Accounting principles generally accepted in the United States of America require recognition and measurement of an asset or liability, deferred outflows of resources, deferred inflows of resources, and expenses related to the other postemployment benefits as well as certain note disclosures and required supplementary information. The amount by which the departure would affect net position, assets, liabilities, deferred outflows of resources, deferred inflows of resources, expenses, note disclosures, and required supplementary information has not been determined.

Qualified Opinion

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion on Governmental Activities” paragraph, the financial statements referred to previously present fairly, in all material respects, the financial position of the governmental activities of the School, as of June 30, 2019, and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the School as of June 30, 2019, 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 budgetary comparison schedules, schedule of employer’s share of net pension liability, and schedule of employer contributions listed as required supplementary information in the table of contents be presented to supplement the basic financial statements. Such information, although not required to be 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, and 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.

Management has not included the management’s discussion and analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such information, although not 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, and historical context. Our opinion on the basic financial statements is not affected by not including this information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards 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 basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 20, 2019, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Quest CPAs PLLC

Payette, Idaho
August 20, 2019

SNAKE RIVER SCHOOL DISTRICT NO. 52

Statement of Net Position

June 30, 2019

	Governmental Activities
Assets	
Current Assets	
Cash & Investments	\$5,822,858
Receivables:	
Local Sources	906,478
State Sources	375,837
Federal Sources	278,292
Inventory	33,230
Total Current Assets	<u>7,416,695</u>
Noncurrent Assets	
Nondepreciable Capital Assets	473,413
Depreciable Net Capital Assets	15,075,943
Total Noncurrent Assets	<u>15,549,356</u>
Total Assets	<u>22,966,051</u>
 Deferred Outflows of Resources	
Pension Sources	<u>1,383,977</u>
Total Deferred Outflows of Resources	<u>1,383,977</u>
Total Assets and Deferred Outflows of Resources	<u><u>\$24,350,028</u></u>
 Liabilities	
Current Liabilities	
Accounts Payable	\$100,009
Salaries & Benefits Payable	1,452,975
Unspent Grant Allocation	98,169
Accrued Interest	67,817
Long-Term Debt & Obligations, Current	1,003,947
Total Current Liabilities	<u>2,722,917</u>
Noncurrent Liabilities	
Long-Term Debt & Obligations, Noncurrent	9,224,097
Net Pension Liability	3,223,357
Total Noncurrent Liabilities	<u>12,447,454</u>
Total Liabilities	<u>15,170,371</u>
 Deferred Inflows of Resources	
Pension Sources	<u>601,574</u>
Total Deferred Inflows of Resources	<u>601,574</u>
Total Liabilities and Deferred Inflows of Resources	<u>15,771,945</u>
 Net Position	
Net Investment in Capital Assets	5,253,495
Restricted:	
Special Programs	96,085
Debt Service	1,521,835
Capital Projects	1,144,172
Unrestricted	562,496
Total Net Position	<u>8,578,083</u>
Total Liabilities and Deferred Inflows of Resources and Net Position	<u><u>\$24,350,028</u></u>

SNAKE RIVER SCHOOL DISTRICT NO. 52

Statement of Activities
Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue And Changes in Net Position
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	
Governmental Activities					
Instructional Programs					
Elementary School	\$2,691,818		\$347,370		(\$2,344,448)
Secondary School	2,501,128	\$10,995	59,897		(2,430,236)
Vocational-Technical	44,628		44,628		0
Special Education	1,016,244		454,166		(562,078)
Special Education Preschool	73,660		16,521		(57,139)
Interscholastic	200,533				(200,533)
Support Service Programs					
Attendance - Guidance - Health	376,237		65,198		(311,039)
Special Education Support Services	418,229		52,713		(365,516)
Instruction Improvement	411,732		225,330		(186,402)
Educational Media	299,165				(299,165)
Instruction-Related Technology	375,222		294,530		(80,692)
Board of Education	131,704				(131,704)
District Administration	167,158				(167,158)
School Administration	875,142				(875,142)
Business Operation	99,549				(99,549)
Administrative Technology Service	71,222				(71,222)
Buildings - Care	670,328				(670,328)
Maintenance - Non-Student Occupied	625				(625)
Maintenance - Student Occupied	493,731				(493,731)
Maintenance - Grounds	94,700				(94,700)
Security	36,074		3,970		(32,104)
Pupil-To-School Transportation	634,891				(634,891)
Pupil-Activity Transportation	44,623				(44,623)
General Transportation	12,705				(12,705)
Non-Instructional Programs					
Child Nutrition	456,905	108,377	293,396		(55,132)
Community Services	13,264		13,215		(49)
Capital Assets - Student Occupied	545,208				(545,208)
Capital Assets - Non-Student Occupied	39,000		19,832		(19,168)
Debt Service - Principal	0				0
Debt Service - Interest	150,037				(150,037)
Total	<u>\$12,945,462</u>	<u>\$119,372</u>	<u>\$1,890,766</u>	<u>\$0</u>	<u>(10,935,324)</u>
General Revenues					
Local Taxes					2,429,313
Other Local Revenues					357,479
State Revenues					10,921,731
Federal Revenues					0
Pension Revenue (Expense)					(749,284)
Total					<u>12,959,239</u>
Change in Net Position					2,023,915
Net Position - Beginning					6,554,168
Net Position - Ending					<u>\$8,578,083</u>

SNAKE RIVER SCHOOL DISTRICT NO. 52

Balance Sheet - Governmental Funds

June 30, 2019

	General Fund	Child Nutrition Fund	Bond R & I Fund	Capital Construction Fund
Assets				
Cash & Investments	\$3,408,310		\$1,245,605	\$469,475
Receivables:				
Local Sources	329,356		326,876	251
State Sources	375,837			
Federal Sources				
Due From Other Funds	96,846			
Inventory		\$33,230		
Total Assets	\$4,210,349	\$33,230	\$1,572,481	\$469,726
Liabilities				
Accounts Payable	\$72,622	\$138		
Due To Other Funds		915		
Salaries & Benefits Payable	1,217,640	32,177		
Unspent Grant Allocation				
Total Liabilities	1,290,262	33,230	\$0	\$0
Deferred Inflows of Resources				
Unavailable Tax Revenues	36,154		50,646	
Total Deferred Inflows of Resources	36,154	0	50,646	0
Fund Balances				
Restricted:				
Special Programs				
Debt Service			1,521,835	
Capital Projects				469,726
Nonspendable				
Unassigned	2,883,933			
Total Fund Balances	2,883,933	0	1,521,835	469,726
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$4,210,349	\$33,230	\$1,572,481	\$469,726

SNAKE RIVER SCHOOL DISTRICT NO. 52

Balance Sheet - Governmental Funds

June 30, 2019

	Plant Facilities Fund	Lottery Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash & Investments		\$559,885	\$139,583	\$5,822,858
Receivables:				
Local Sources	\$249,965		30	906,478
State Sources			0	375,837
Federal Sources			278,292	278,292
Due From Other Funds			0	96,846
Inventory			0	33,230
Total Assets	\$249,965	\$559,885	\$417,905	\$7,513,541
Liabilities				
Accounts Payable	\$10,425		\$16,824	\$100,009
Due To Other Funds	93,541		2,390	96,846
Salaries & Benefits Payable			203,158	1,452,975
Unspent Grant Allocation			98,169	98,169
Total Liabilities	103,966	\$0	320,541	1,747,999
Deferred Inflows of Resources				
Unavailable Tax Revenues	34,420		0	121,220
Total Deferred Inflows of Resources	34,420	0	0	121,220
Fund Balances				
Restricted:				
Special Programs			96,085	96,085
Debt Service			0	1,521,835
Capital Projects	111,579	559,885	2,982	1,144,172
Nonspendable			0	0
Unassigned			(1,703)	2,882,230
Total Fund Balances	111,579	559,885	97,364	5,644,322
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$249,965	\$559,885	\$417,905	\$7,513,541

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities

Total Governmental Fund Balances	\$5,644,322
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	15,549,356
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Certain receivables are not available to pay for current period expenditures and therefore are deferred in the funds.	121,220
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Certain liabilities, including accrued interest, are not due and payable in the current period and therefore are not reported in the funds.	(10,295,861)
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Net pension liability and related pension source deferred outflow and deferred inflow of resources, are not due and payable in the current period and therefore are not reported in the funds.	(2,440,954)
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Net Position of Governmental Activities	<u><u>\$8,578,083</u></u>
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SNAKE RIVER SCHOOL DISTRICT NO. 52

Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2019

	General Fund	Child Nutrition Fund	Bond R & I Fund	Capital Construction Fund
Revenues				
Local Taxes	\$718,241		\$952,340	
Other Local Revenue	303,445	\$108,377	20,149	\$2,824
State Revenue	10,365,232		354,557	
Federal Revenue	15,526	293,396		
Total Revenues	11,402,444	401,773	1,327,046	2,824
Expenditures				
Instructional Programs				
Elementary School	2,766,572			
Secondary School	2,812,746			
Vocational-Technical				
Special Education	510,997			
Special Education Preschool	57,139			
Interscholastic	200,533			
Support Service Programs				
Attendance - Guidance - Health	311,039			
Special Education Support Services	241,982			
Instruction Improvement	151,778			
Educational Media	299,165			
Instruction-Related Technology	69,887			
Board of Education	131,704			
District Administration	167,158			
School Administration	875,142			
Business Operation	95,373		4,176	
Administrative Technology Service				
Buildings - Care	670,328			
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied	187,922			
Maintenance - Grounds				
Security	32,104			
Pupil-To-School Transportation	532,153			
Pupil-Activity Transportation	44,623			
General Transportation	12,705			
Non-Instructional Programs				
Child Nutrition	13,497	449,717		
Community Services				
Capital Assets - Student Occupied	210,870			25,000
Capital Assets - Non-Student Occupied	39,000			
Debt Service - Principal			886,378	
Debt Service - Interest			211,777	
Total Expenditures	10,434,417	449,717	1,102,331	25,000
Excess (Deficiency) of Revenues Over Expenditures				
	968,027	(47,944)	224,715	(22,176)
Other Financing Sources (Uses)				
Transfers In		47,944		25,000
Transfers Out	(517,645)			
Total Other Financing Sources (Uses)	(517,645)	47,944	0	25,000
Net Change in Fund Balances	450,382	0	224,715	2,824
Fund Balances - Beginning	2,433,551	0	1,297,120	466,902
Fund Balances - Ending	\$2,883,933	\$0	\$1,521,835	\$469,726

SNAKE RIVER SCHOOL DISTRICT NO. 52

Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2019

	Plant Facilities Fund	Lottery Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Local Taxes	\$739,106		\$0	\$2,409,687
Other Local Revenue	2,782		31,281	468,858
State Revenue		\$201,942	493,602	11,415,333
Federal Revenue			1,074,756	1,383,678
Total Revenues	741,888	201,942	1,599,639	15,677,556
Expenditures				
Instructional Programs				
Elementary School	1,471		349,038	3,117,081
Secondary School	5,845		77,675	2,896,266
Vocational-Technical			44,628	44,628
Special Education			505,247	1,016,244
Special Education Preschool			16,521	73,660
Interscholastic			0	200,533
Support Service Programs				
Attendance - Guidance - Health			65,198	376,237
Special Education Support Services			176,247	418,229
Instruction Improvement			259,954	411,732
Educational Media			0	299,165
Instruction-Related Technology	25,000		294,530	389,417
Board of Education			0	131,704
District Administration			0	167,158
School Administration			0	875,142
Business Operation			0	99,549
Administrative Technology Service		71,222	0	71,222
Buildings - Care			0	670,328
Maintenance - Non-Student Occupied	625		0	625
Maintenance - Student Occupied	573,638		0	761,560
Maintenance - Grounds	131,645		0	131,645
Security			3,970	36,074
Pupil-To-School Transportation			0	532,153
Pupil-Activity Transportation			0	44,623
General Transportation			0	12,705
Non-Instructional Programs				
Child Nutrition			0	463,214
Community Services			13,264	13,264
Capital Assets - Student Occupied			0	235,870
Capital Assets - Non-Student Occupied			159,240	198,240
Debt Service - Principal			0	886,378
Debt Service - Interest			0	211,777
Total Expenditures	738,224	71,222	1,965,512	14,786,423
Excess (Deficiency) of Revenues Over Expenditures	3,664	130,720	(365,873)	891,133
Other Financing Sources (Uses)				
Transfers In	100,000		344,701	517,645
Transfers Out			0	(517,645)
Total Other Financing Sources (Uses)	100,000	0	344,701	0
Net Change in Fund Balances	103,664	130,720	(21,172)	891,133
Fund Balances - Beginning	7,915	429,165	118,536	4,753,189
Fund Balances - Ending	\$111,579	\$559,885	\$97,364	\$5,644,322

SNAKE RIVER SCHOOL DISTRICT NO. 52
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2019

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

Net Change in Fund Balances - Total Governmental Funds \$891,133

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

Government funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the excess of capital outlays over (under) depreciation expense in the current period. 72,442

Revenues in the statement of activities that do not provide current financial resources are deferred in the funds. 19,626

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term debt in the statement of net position. Bond premium is amortized against interest expense over the term of the bond. 963,947

In the statement of activities, interest is accrued on long-term debt, but the expenditure is reported when due in the governmental funds. 5,650

Changes in net pension liability and related pension source deferred outflow and deferred inflow of resources do not provide or require current financial resources and therefore are not reflected in the funds. 71,117

Change in Net Position of Governmental Activities \$2,023,915

SNAKE RIVER SCHOOL DISTRICT NO. 52

Statement of Fiduciary Net Position

June 30, 2019

	Agency Funds - Student Activity
Assets	
Cash & Investments	\$329,338
Total Assets	<u>\$329,338</u>
Liabilities	
Due to Student Groups	\$329,338
Total Liabilities	<u>329,338</u>
Net Position	
Total Net Position	<u>0</u>
Total Liabilities and Net Position	<u>\$329,338</u>

SNAKE RIVER SCHOOL DISTRICT NO. 52
Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity – Snake River School District No. 52 (the School) provides public school educational services as authorized by Section 33 of Idaho Code. The School's boundaries for taxing and school enrollment purposes are located within Bingham County.

These financial statements are prepared in accordance with generally accepted accounting principles (GAAP) as applied to school districts. The governmental accounting standards board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the School are discussed below.

Basic Financial Statements - Government-Wide Statements – The School's basic financial statements include both government-wide (reporting the School as a whole) and fund financial statements (reporting the School's major funds). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. Currently, all the School's activities are categorized as governmental activities.

In the government-wide statement of net position, the activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The government-wide statement of activities reports both the gross and net cost of each of the School's functions. The functions are also supported by general government revenues as reported in the statement of activities. The statement of activities reduces gross expenses (including depreciation when recorded) by related program revenues and operating and capital grants. Program revenues must be directly associated with the function. Internal activity between funds (when two or more funds are involved) is eliminated in the government-wide statement of activities. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reports capital-specific grants.

The net costs (by function) are normally covered by general revenues.

The School reports expenditures in accordance with the State Department of Education's "Idaho Financial Accounting Reporting Management System" (IFARMS). IFARMS categorizes all expenditures by function, program and object. Accordingly, there is no allocation of indirect costs.

The government-wide focus is more on the sustainability of the School as an entity and the change in the School's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

Basic Financial Statements - Fund Financial Statements – The financial transactions of the School are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses.

The emphasis in fund financial statements is on the major funds. Nonmajor funds by category are summarized into a single column. Generally accepted accounting principles set forth minimum criteria (percentage of assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of the funds) for the determination of major funds.

SNAKE RIVER SCHOOL DISTRICT NO. 52

Notes to Financial Statements

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. Major governmental funds of the School include:

General Fund – The general fund is the School's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Major special revenue funds include the child nutrition fund, which serves to account for providing nutritional meals to students (including subsidized meals).

Debt Service Funds – Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on long term debt. Major debt service funds include the bond redemption and interest fund, which accounts for accumulation of funds for the periodic payment of principal and interest on long term debt.

Capital Projects Funds – Capital projects funds are used to account for the acquisition of capital assets. Major capital project funds include the plant facilities fund, used to account for the maintenance of facilities and other capital assets, the capital construction fund, used to account for the facility construction and betterments, and the lottery fund, used to account for school maintenance and repairs.

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support School programs. The reporting focus is on net position and changes in net position and are reported using accounting principles similar to proprietary funds. Fiduciary funds of the School include:

Agency Funds – Agency funds are used to account for assets held by the School on behalf of students.

Basis of Accounting – Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Activities in the government-wide and fiduciary fund financial statements are presented on the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within thirty days after year end. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on long-term debt which, if any, are recognized when due and payable.

Cash and Investments – Nearly all the cash and investment balances of the School's funds are pooled for investment purposes. The individual funds' portions of the pooled cash and investments are reported in each fund as cash and investments. Interest earned on pooled cash and investments is allocated to the various funds based on each fund's respective investment balance. Investments include the local government investment pool, reported and measured at amortized cost following the provisions of GASB 79 which provide for consistent measurement of investment value amongst pool participants. Investments also

SNAKE RIVER SCHOOL DISTRICT NO. 52

Notes to Financial Statements

include the diversified bond fund and are stated at fair value using the market approach and Level 2 inputs (inputs other than quoted prices included in Level 1 that are observable for an asset, liability, either directly or indirectly). The fair value of the diversified bond fund is not the same as the value of its shares.

Receivables – Receivables are reported net of any estimated uncollectible amounts.

Inventories – Material supplies on hand at year end are stated at the lower of cost or net realizable value using the first-in, first-out method.

Capital Assets and Depreciation – Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation over the estimated useful lives of all depreciable assets is recorded using the straight line method, except for certain transportation vehicles which use the declining balance method.

Compensated Absences – The School provides certain compensated absences to its employees. The estimated amount of compensation for future amounts is deemed to be immaterial and, accordingly, no liability is recorded.

Other Post-Employment Benefits – The School does not provide benefits to retired employees other than retirement benefits funded through the Public Employees Retirement System of Idaho. However, certain retired employees can remain on the School insurance policy after retirement if the retired employee pays the average monthly cost. The difference between the age-adjusted monthly cost and the average monthly cost is referred to as an “implicit subsidy” since the medical insurance rate of a retired employee is generally higher than the medical insurance rate of a younger employee. GASB 75 requires that employers have actuarial calculations performed for these other post-employment benefits so that liabilities and related expenses can be recorded in the government-wide financial statements and related notes and required supplementary information can be prepared. Management believes the costs of implementing GASB 75 cannot be justified at this time. Accordingly, the School accounts for the other-post employment benefits for retirees on the pay-as-you-go basis.

Pensions – For purposes of measuring the net pension liability and pension expense/revenue, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (the Base Plan) and additions to/deductions from Base Plan’s fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, 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.

Deferred Outflows/Inflows of Resources – The School’s financial statements may report deferred outflows/inflows of resources. Deferred outflows of resources represent a consumption of net assets that apply to a future period. Deferred inflows of resources represent an acquisition of net assets that apply to a future period. Deferred outflows/inflows of resources generally represent amounts that are not available in the current period.

Net Position – Net position is assets plus deferred outflows of resources less liabilities less deferred inflows of resources. The net investment in capital assets component of net position consists of the historical cost of capital assets less accumulated depreciation less any outstanding debt that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.

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Restricted net position consists of assets that are restricted by creditors, grantors, contributors, legislation, and other parties. All other net position not reported as restricted or net investment in capital assets is reported as unrestricted.

Fund Balance Classifications – Restrictions of the fund balance indicate portions that are legally or contractually segregated for a specific future use. Nonspendable portions of the fund balance are those amounts that cannot be spent because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. Committed portions represent amounts that can only be used for specific purposes pursuant to formal action (i.e. board approval) of the reporting entity's governing body. Assigned portions represent amounts that are constrained by the government's intent to be used for a specific purpose. Remaining fund balances are reported as unassigned. When expenditures are incurred that qualify for either restricted or unrestricted resources, the School first utilizes restricted resources. When expenditures are incurred that qualify for either committed or assigned or unassigned resources, the School first utilizes committed resources then assigned resources before using unassigned resources.

Property Taxes – The School is responsible for levying property taxes, but the taxes are collected by the respective county. Taxes are levied by the second Monday in September for each calendar year. Taxes are due in two installments – December 20th and June 20th. A lien is filed on real property three years from the date of delinquency.

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

Interfund Activity – Interfund activity is reported either as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Custodial Credit Risk – The School maintains its cash at insured financial institutions. Periodically, balances may exceed federally insured limits. The School does not have a formal policy concerning custodial credit risk.

Risk Management – The School is exposed to various risks related to its operations. Insurance is utilized to the extent practical to minimize these risks.

Nonmonetary Transactions – Items received via food commodities programs are recognized at their stated fair market value.

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Notes to Financial Statements

Subsequent Events – Subsequent events were evaluated through the date of the auditor’s report, which is the date the financial statements were available to be issued.

B. CASH AND INVESTMENTS

Cash and investments consist of the following at year end:

	Governmental Funds	Fiduciary Funds	Total
Cash - Deposits	\$317,220	\$329,338	\$646,558
Investments - Local Gov't Investment Pool	5,456,466		5,456,466
Investments - Diversified Bond Fund	49,172		49,172
Total	\$5,822,858	\$329,338	\$6,152,196

Deposits – At year end, the carrying amounts of the School's deposits were \$646,558 and the bank balances were \$735,032. Of the bank balances, \$311,203 was insured, \$90,970 was collateralized, and the remainder was uninsured and uncollateralized.

Considerations for interest rate risk and credit rate risk relating to investments are shown below.

Interest rate risk:

<u>Investment Type</u>	Investment Maturity Schedule (In Years)		
	<u>Less Than 1</u>	<u>1 - 5</u>	<u>Total</u>
Local Gov't Invest Pool	\$5,456,466		\$5,456,466
Diversified Bond Fund		\$49,172	49,172
Total	\$5,456,466	\$49,172	\$5,505,638

Credit rate risk:

<u>Investment Type</u>	Investment Rating Schedule	
	<u>Not Rated</u>	<u>Total</u>
Local Gov't Invest Pool	\$5,456,466	\$5,456,466
Diversified Bond Fund	49,172	49,172
Total	\$5,505,638	\$5,505,638

Investments – State statutes authorize government entities to invest in certain bonds, notes, accounts, investment pools, and other obligations of the state, U.S. Government, and U.S. corporations pursuant to Idaho Code 67-1210 and 67-1210A. These statutes are designed to help minimize the custodial risk that deposits may not be returned in the event of the failure of the issuer or other counterparty, interest rate risk resulting from fair value losses arising from rising interest rates, or credit risks that an issuer or other counterparty will not fulfill its obligations. The School's investment policy complies with state statutes.

The local government investment pool is managed by the state treasurer's office and is invested in accordance with state statutes and regulations. The local government investment pool is not registered with the SEC and is a short-term investment pool. The state treasurer’s office investment policy for the local

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Notes to Financial Statements

government investment pool includes the following three primary objectives in order of priority: safety, liquidity, and yield. Participants have overnight availability to their funds, up to \$10 million. Withdrawals of \$10 million or more require three business days' notification. More information on the local governmental investment pool including regulatory information, ratings, and risk information can be found at www.sto.idaho.gov.

C. RECEIVABLES

Receivables consist of the following at year end:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>	<u>Total</u>
Local Sources					
Local Taxes	\$243,625		\$324,290	\$250,216	\$818,131
Other Local Sources	85,731	\$30	2,586		88,347
Total	<u>\$329,356</u>	<u>\$30</u>	<u>\$326,876</u>	<u>\$250,216</u>	<u>\$906,478</u>
State Sources					
Foundation Program	\$375,837				\$375,837
Total	<u>\$375,837</u>				<u>\$375,837</u>
Federal Sources					
Special Programs		\$278,292			\$278,292
Total		<u>\$278,292</u>			<u>\$278,292</u>

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Notes to Financial Statements

D. CAPITAL ASSETS

A summary of capital assets for the year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Nondepreciable Capital Assets				
Land	\$18,824			\$18,824
Construction in Progress	0	\$454,589		454,589
Total	<u>18,824</u>	<u>454,589</u>	<u>\$0</u>	<u>473,413</u>
Depreciable Capital Assets				
Buildings	26,505,091	86,055		26,591,146
Equipment	748,268	20,504		768,772
Transportation	1,975,056	159,240	103,710	2,030,586
Subtotal	<u>29,228,415</u>	<u>265,799</u>	<u>103,710</u>	<u>29,390,504</u>
Accumulated Depreciation				
Buildings	11,658,936	531,823		12,190,759
Equipment	670,633	13,385		684,018
Transportation	1,440,756	102,738	103,710	1,439,784
Subtotal	<u>13,770,325</u>	<u>647,946</u>	<u>103,710</u>	<u>14,314,561</u>
Total	<u>15,458,090</u>	<u>(382,147)</u>	<u>0</u>	<u>15,075,943</u>
Net Capital Assets	<u>\$15,476,914</u>	<u>\$72,442</u>	<u>\$0</u>	<u>\$15,549,356</u>

Depreciation expense was charged to the following programs:

Capital Assets - Student Occupied	\$545,208
Pupil-To-School Transportation	102,738
Total	<u>\$647,946</u>

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Notes to Financial Statements

E. LONG-TERM DEBT AND OBLIGATIONS

Bonded Debt - At year end, the School's bonded debt was as follows:

	<u>Outstanding</u>
2009 - \$5,000,000 - qualified school construction (QSC) bonds for capital improvements due in annual principal installments without interest (bondholders are compensated in the form of federal tax credits) through 2024/25, secured by future taxes, paid through the bond redemption and interest fund	\$2,057,144
2016 - \$7,710,000 - general obligation refunding bonds due in annual principal installments and semiannual interest payments with interest at 2.00% - 3.00% through 2028/29, secured by future taxes, paid through the bond redemption and interest fund	<u>7,610,000</u>
Total	<u><u>\$9,667,144</u></u>

Maturities on the bonds are estimated as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
6/30/20	\$947,857	\$197,400
6/30/21	957,857	185,200
6/30/22	967,857	172,800
6/30/23	982,857	160,150
6/30/24	997,857	143,925
6/30/25-29	4,812,859	356,850
Total	<u><u>\$9,667,144</u></u>	<u><u>\$1,216,325</u></u>

Changes in long-term debt and obligations are as follows:

<u>Description</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
2009 Q.S.C. Bonds	\$2,400,001		\$342,857	\$2,057,144	\$342,857
2009 G.O. Bonds	565,000		565,000	0	
2016 G.O.R. Bonds	7,610,000			7,610,000	605,000
Bond Premium	616,990		56,090	560,900	56,090
Total	<u><u>\$11,191,991</u></u>	<u><u>\$0</u></u>	<u><u>\$963,947</u></u>	<u><u>\$10,228,044</u></u>	<u><u>\$1,003,947</u></u>

Interest and related costs during the year amounted to \$150,037 and were charged to the debt service – interest program.

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Notes to Financial Statements

F. PENSION PLAN

Plan Description

The School contributes to the Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Responsibility for administration of the Base Plan is assigned to the Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active Base Plan members with at least ten years of service and three members who are Idaho citizens not members of the Base Plan except by reason of having served on the Board.

Pension Benefits

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

The benefit payments for the Base Plan are calculated using a benefit formula adopted by the Idaho Legislature. The Base Plan is required to provide a 1% minimum cost of living increase per year provided the Consumer Price Index increases 1% or more. The PERSI Board has the authority to provide higher cost of living increases to a maximum of the Consumer Price Index movement or 6%, whichever is less; however, any amount above the 1% minimum is subject to review by the Idaho Legislature.

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) that are adequate to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2018 it was 6.79% for general employees and 8.36% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.32% for general employees and 11.66% for police and firefighters. The School's contributions were \$820,401 for the year ended June 30, 2019.

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Notes to Financial Statements

Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the School reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on the School's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2019, the School's proportion was 0.2185301 percent.

For the year ended June 30, 2019, the School recognized pension revenue (expense) of (\$749,284). At June 30, 2019, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$353,833	\$243,441
Changes in assumptions or other inputs	209,743	
Net difference between projected and actual earnings on pension plan investments		358,133
Employer contributions subsequent to the measurement date	<u>820,401</u>	
Total	<u><u>\$1,383,977</u></u>	<u><u>\$601,574</u></u>

\$820,401 reported as deferred outflows of resources related to pensions resulting from School contributions made subsequent to the measurement date will be recognized as an addition to the pension (expense) or reduction of the pension revenue in the year ending June 30, 2019.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2017 the beginning of the measurement period ended June 30, 2018 is 4.9 and 5.5 for the measurement period June 30, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension (expense) revenue as follows:

<u>Year Ended</u>	
6/30/20	\$262,018
6/30/21	30,874
6/30/22	(264,131)
6/30/23	<u>(66,759)</u>
Total	<u><u>(\$37,998)</u></u>

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Notes to Financial Statements

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code, is 25 years.

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increases	4.25 – 10.00%
Salary inflation	3.75%
Investment rate of return	7.10%, net of investment expenses
Cost-of-living adjustments	1%

Mortality rates were based on the RP – 2000 combined table for healthy males or females as appropriate with the following offsets:

- Set back 3 years for teachers
- No offset for male fire and police
- Forward one year for female fire and police
- Set back one year for all general employees and all beneficiaries

An experience study was performed for the period July 1, 2007 through June 30, 2013 which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2014 for the period from July 1, 2009 through June 30, 2013. The total pension liability as of June 30, 2018 is based on the results of an actuarial valuation date of July 1, 2018.

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of January 1, 2017.

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Notes to Financial Statements

Capital Market Assumptions				
Asset Class	Expected Return*	Expected Risk	Strategic Normal	Strategic Ranges
Equities			70%	66% - 77%
Broad Domestic Equities	9.15%	19.00%	55%	50% - 65%
International	9.25%	20.20%	15%	10% - 20%
Fixed Income	3.05%	3.75%	30%	23% - 33%
Cash	2.25%	0.90%	0%	0% - 5%
			Expected Real	Expected
Total Fund	Expected Return*	Expected Inflation	Return	Risk
Actuary	7.00%	3.25%	3.75%	N/A
Portfolio	6.58%	2.25%	4.33%	12.67%

*Expected arithmetic return net of fees and expenses

Actuarial Assumptions

Assumed Inflation - Mean	3.25%
Assumed Inflation - Standard Deviation	2.00%
Portfolio Arithmetic Mean Return	8.42%
Portfolio Long-Term Expected Geometric Rate of Return	7.50%
Assumed Investment Expenses	0.40%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses	7.10%

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. 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. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the School's proportionate share of the net pension liability to changes in the discount rate.

The following presents the School's proportionate share of the net pension liability calculated using the discount rate of 7.10 percent, as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
School's proportionate share of the net pension liability (asset)	\$8,068,792	\$3,223,357	(\$788,862)

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Pension plan fiduciary net position

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

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Impacts on the School's net position

Depending on the annual performance of the Base Plan and the various non-financial factors that affect the collective Base Plan net pension liability (as described above), the School may periodically experience a deficit in its net position. This can occur as a result of recording the School's allocable portion of the net pension liability which is an estimated liability that changes substantially from year to year depending on the factors described above but does not currently require cash outflows. As the net pension liability of the Base Plan is closely monitored by PERSI's board (who makes changes to the contribution rates and other terms of the Base Plan whenever deemed necessary), such deficits are not deemed to be of substantial concern.

G. INTERFUND BALANCES AND TRANSFERS

Interfund balances at year end consist of the following:

	Due From Fund			
	<u>Child Nutrition</u>	<u>Plant Facilities</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Due To Fund				
General	\$915	\$93,541	\$2,390	\$96,846
Total	<u>\$915</u>	<u>\$93,541</u>	<u>\$2,390</u>	<u>\$96,846</u>

These interfund balances resulted from the time lag between when expenditures are incurred in a fund and when the fund is reimbursed for such expenditures.

Interfund transfers during the year consist of the following:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>	<u>Purpose</u>
General		\$517,645	Support, Projects, Depreciation
Child Nutrition	\$47,944		Support
Capital Construction	25,000		Capital Projects
Plant Facilities	100,000		Capital Projects
Nonmajor Governmental	344,701		Support, Depreciation
Total	<u>\$517,645</u>	<u>\$517,645</u>	

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Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended June 30, 2019

General Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$721,000	\$721,000	\$718,241	(\$2,759)
Other Local Revenue	146,980	146,980	303,445	156,465
State Revenue	10,159,817	10,159,817	10,365,232	205,415
Federal Revenue	0	0	15,526	15,526
Total Revenues	11,027,797	11,027,797	11,402,444	374,647
Expenditures				
Instructional Programs				
Elementary School	2,964,834	2,964,834	2,766,572	198,262
Secondary School	3,077,882	3,077,882	2,812,746	265,136
Vocational-Technical	0	0	0	0
Special Education	557,180	557,180	510,997	46,183
Special Education Preschool	68,604	68,604	57,139	11,465
Interscholastic	222,495	222,495	200,533	21,962
Support Service Programs				
Attendance - Guidance - Health	357,999	357,999	311,039	46,960
Special Education Support Services	237,568	237,568	241,982	(4,414)
Instruction Improvement	276,397	276,397	151,778	124,619
Educational Media	359,519	359,519	299,165	60,354
Instruction-Related Technology	171,548	171,548	69,887	101,661
Board of Education	151,221	151,221	131,704	19,517
District Administration	182,487	182,487	167,158	15,329
School Administration	899,100	899,100	875,142	23,958
Business Operation	126,622	126,622	95,373	31,249
Administrative Technology Service	0	0	0	0
Buildings - Care	790,142	790,142	670,328	119,814
Maintenance - Non-Student Occupied	0	0	0	0
Maintenance - Student Occupied	191,646	191,646	187,922	3,724
Maintenance - Grounds	6,795	6,795	0	6,795
Security	54,000	54,000	32,104	21,896
Pupil-To-School Transportation	699,457	699,457	532,153	167,304
Pupil-Activity Transportation	57,189	57,189	44,623	12,566
General Transportation	15,000	15,000	12,705	2,295
Non-Instructional Programs				
Child Nutrition	15,359	15,359	13,497	1,862
Community Services	0	0	0	0
Capital Assets - Student Occupied	763,289	763,289	210,870	552,419
Capital Assets - Non-Student Occupied	0	0	39,000	(39,000)
Debt Service - Principal	0	0	0	0
Debt Service - Interest	0	0	0	0
Total Expenditures	12,246,333	12,246,333	10,434,417	1,811,916 *
Excess (Deficiency) of Revenues Over Expenditures				
	(1,218,536)	(1,218,536)	968,027	2,186,563
Other Financing Sources (Uses)				
Transfers In	75,708	75,708	0	(75,708)
Transfers Out	(728,757)	(728,757)	(517,645)	211,112 *
Total Other Financing Sources (Uses)	(653,049)	(653,049)	(517,645)	135,404
Net Change in Fund Balances	(1,871,585)	(1,871,585)	450,382	2,321,967
Fund Balances - Beginning	1,871,585	1,871,585	2,433,551	561,966
Fund Balances - Ending	\$0	\$0	\$2,883,933	\$2,883,933

*Total expenditures (over) under appropriations are: \$2,023,028

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Budgetary Comparison Schedule -
 General and Major Special Revenue Funds
 Year Ended June 30, 2019

Child Nutrition Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
Revenues				
Other Local Revenue	\$109,037	\$109,037	\$108,377	(\$660)
Federal Revenue	284,080	284,080	293,396	9,316
Total Revenues	<u>393,117</u>	<u>393,117</u>	<u>401,773</u>	<u>8,656</u>
Expenditures				
Non-Instructional Programs				
Child Nutrition	504,795	504,795	449,717	55,078
Total Expenditures	<u>504,795</u>	<u>504,795</u>	<u>449,717</u>	<u>55,078</u> *
Excess (Deficiency) of Revenues Over Expenditures	(111,678)	(111,678)	(47,944)	63,734
Other Financing Sources (Uses)				
Transfers In	111,678	111,678	47,944	(63,734)
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>111,678</u>	<u>111,678</u>	<u>47,944</u>	<u>(63,734)</u>
Net Change in Fund Balances	0	0	0	0
Fund Balances - Beginning	0	0	0	0
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

*Total expenditures (over) under appropriations are: \$55,078

SNAKE RIVER SCHOOL DISTRICT NO. 52
Schedule of Employer's Share of Net Pension Liability
PERSI - Base Plan
Last 10 - Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
School's portion of the net pension liability	0.2185301%	0.2128050%	0.2122659%	0.2235148%	0.2326591%
School's proportionate share of the net pension liability	\$3,223,357	\$3,344,929	\$4,302,956	\$2,943,326	\$1,712,735
School's covered payroll	\$7,150,018	\$6,698,242	\$6,208,154	\$6,260,592	\$6,303,039
School's proportional share of the net pension liability as a percentage of its covered payroll	45.08%	49.94%	69.31%	47.01%	27.17%
Plan fiduciary net position as a percentage of the total pension liability	91.69%	90.68%	87.26%	91.38%	94.95%

*GASB 68 requires ten years of information to be presented in this table. However, until a 10-year trend is compiled, only those years for which information is available will be presented.

Data reported is measured as of June 30.

SNAKE RIVER SCHOOL DISTRICT NO. 52

Schedule of Employer Contributions

PERSI - Base Plan

Last 10 - Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$820,401	\$809,382	\$758,241	\$702,763	\$708,699
Contributions in relation to the statutorily required contribution	\$820,401	\$809,382	\$758,241	\$702,763	\$708,699
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School's covered payroll	<u>\$7,247,359</u>	<u>\$7,150,018</u>	<u>\$6,698,242</u>	<u>\$6,208,154</u>	<u>\$6,260,592</u>
Contributions as a percentage of covered payroll	11.32%	11.32%	11.32%	11.32%	11.32%

*GASB 68 requires ten years of information to be presented in this table. However, until a 10-year trend is compiled, only those years for which information is available will be presented.

Data reported is measured as of each year's fiscal year end.

SNAKE RIVER SCHOOL DISTRICT NO. 52
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2019

	Special Revenue Funds			
	Limited English Proficiency	Literacy Proficiency	SREF Grants	ISAT Remediation
Assets				
Cash & Investments	\$17,822	\$2,701	\$12,267	\$44,001
Receivables:				
Local Sources				
State Sources				
Federal Sources				
Due From Other Funds				
Inventory				
Total Assets	\$17,822	\$2,701	\$12,267	\$44,001
Liabilities				
Accounts Payable			\$1,153	
Due To Other Funds				
Salaries & Benefits Payable	\$10,408	\$4,404		\$9,570
Unspent Grant Allocation				
Total Liabilities	10,408	4,404	1,153	9,570
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs	7,414		11,114	34,431
Debt Service				
Capital Projects				
Nonspendable				
Unassigned		(1,703)		
Total Fund Balances	7,414	(1,703)	11,114	34,431
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$17,822	\$2,701	\$12,267	\$44,001

SNAKE RIVER SCHOOL DISTRICT NO. 52
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2019

	Special Revenue Funds			
	Driver Education	Professional Technical	Technology	Substance Abuse
Assets				
Cash & Investments	\$19,609	\$7,933		\$23,487
Receivables:				
Local Sources	30			
State Sources				
Federal Sources				
Due From Other Funds				
Inventory				
Total Assets	\$19,639	\$7,933	\$0	\$23,487
Liabilities				
Accounts Payable		\$7,933		
Due To Other Funds				
Salaries & Benefits Payable				
Unspent Grant Allocation				
Total Liabilities	\$0	7,933	\$0	\$0
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs	19,639			23,487
Debt Service				
Capital Projects				
Nonspendable				
Unassigned				
Total Fund Balances	19,639	0	0	23,487
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$19,639	\$7,933	\$0	\$23,487

SNAKE RIVER SCHOOL DISTRICT NO. 52
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2019

	Special Revenue Funds			
	Title I-A ESSA IBP	Title I-C ESSA EMC	IDEA Part B 611 School Age 3-21	IDEA Part B 619 Pre-School Age 3-5
Assets				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$111,678	\$7,087	\$122,721	\$2,595
Due From Other Funds				
Inventory				
Total Assets	<u>\$111,678</u>	<u>\$7,087</u>	<u>\$122,721</u>	<u>\$2,595</u>
Liabilities				
Accounts Payable				
Due To Other Funds			\$2,390	
Salaries & Benefits Payable	\$57,562		101,690	
Unspent Grant Allocation	54,116	\$7,087	18,641	\$2,595
Total Liabilities	<u>111,678</u>	<u>7,087</u>	<u>122,721</u>	<u>2,595</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Nonspendable				
Unassigned				
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$111,678</u>	<u>\$7,087</u>	<u>\$122,721</u>	<u>\$2,595</u>

SNAKE RIVER SCHOOL DISTRICT NO. 52
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2019

	Special Revenue Funds			
	School Based Medicaid	Title IV-A ESSA SS & AE	Title V-B ESSA REI	Perkins III Professional Technical Act
Assets				
Cash & Investments	\$1,043			\$7,738
Receivables:				
Local Sources				
State Sources				
Federal Sources		\$12,755	\$8,839	
Due From Other Funds				
Inventory				
Total Assets	<u>\$1,043</u>	<u>\$12,755</u>	<u>\$8,839</u>	<u>\$7,738</u>
Liabilities				
Accounts Payable				\$7,738
Due To Other Funds				
Salaries & Benefits Payable	\$1,043	\$11,851	\$4,274	
Unspent Grant Allocation		904	4,565	
Total Liabilities	<u>1,043</u>	<u>12,755</u>	<u>8,839</u>	<u>7,738</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Nonspendable				
Unassigned				
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$1,043</u>	<u>\$12,755</u>	<u>\$8,839</u>	<u>\$7,738</u>

SNAKE RIVER SCHOOL DISTRICT NO. 52
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2019

	<u>Special Revenue Funds</u>		<u>Capital Projects</u>	<u>Total</u>
	<u>Title III ESSA ELA</u>	<u>Title II-A ESSA SEI</u>	<u>Bus Depreciation</u>	
Assets				
Cash & Investments			\$2,982	\$139,583
Receivables:				
Local Sources				30
State Sources				0
Federal Sources	\$4,124	\$8,493		278,292
Due From Other Funds				0
Inventory				0
Total Assets	<u>\$4,124</u>	<u>\$8,493</u>	<u>\$2,982</u>	<u>\$417,905</u>
Liabilities				
Accounts Payable				\$16,824
Due To Other Funds				2,390
Salaries & Benefits Payable	\$2,356			203,158
Unspent Grant Allocation	1,768	\$8,493		98,169
Total Liabilities	<u>4,124</u>	<u>8,493</u>	<u>\$0</u>	<u>320,541</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				0
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted:				
Special Programs				96,085
Debt Service				0
Capital Projects			2,982	2,982
Nonspendable				0
Unassigned				(1,703)
Total Fund Balances	<u>0</u>	<u>0</u>	<u>2,982</u>	<u>97,364</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$4,124</u>	<u>\$8,493</u>	<u>\$2,982</u>	<u>\$417,905</u>

SNAKE RIVER SCHOOL DISTRICT NO. 52
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2019

	Special Revenue Funds			
	Limited English Proficiency	Literacy Proficiency	SREF Grants	ISAT Remediation
Revenues				
Local Taxes				
Other Local Revenue			\$13,486	
State Revenue	\$30,315	\$90,418		\$31,168
Federal Revenue				
Total Revenues	<u>30,315</u>	<u>90,418</u>	<u>13,486</u>	<u>31,168</u>
Expenditures				
Instructional Programs				
Elementary School	26,916	38,325	2,809	
Secondary School	36,133		5,200	
Vocational-Technical				
Special Education				
Special Education Preschool				
Interscholastic				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement		53,796		65,792
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Business Operation				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>63,049</u>	<u>92,121</u>	<u>8,009</u>	<u>65,792</u>
Excess (Deficiency) of Revenues Over Expenditures	(32,734)	(1,703)	5,477	(34,624)
Other Financing Sources (Uses)				
Transfers In	30,899			44,809
Transfers Out				
Total Other Financing Sources (Uses)	<u>30,899</u>	<u>0</u>	<u>0</u>	<u>44,809</u>
Net Change in Fund Balances	(1,835)	(1,703)	5,477	10,185
Fund Balances - Beginning	9,249	0	5,637	24,246
Fund Balances - Ending	<u>\$7,414</u>	<u>(\$1,703)</u>	<u>\$11,114</u>	<u>\$34,431</u>

SNAKE RIVER SCHOOL DISTRICT NO. 52
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2019

	Special Revenue Funds			
	Driver Education	Professional Technical	Technology	Substance Abuse
Revenues				
Local Taxes				
Other Local Revenue	\$10,995		\$318	
State Revenue	15,190	\$44,628	258,081	\$23,802
Federal Revenue				
Total Revenues	<u>26,185</u>	<u>44,628</u>	<u>258,399</u>	<u>23,802</u>
Expenditures				
Instructional Programs				
Elementary School				
Secondary School	20,933			
Vocational-Technical		44,628		
Special Education				
Special Education Preschool				
Interscholastic				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement			3,808	
Educational Media				
Instruction-Related Technology			254,591	
Board of Education				
District Administration				
School Administration				
Business Operation				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				3,970
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>20,933</u>	<u>44,628</u>	<u>258,399</u>	<u>3,970</u>
Excess (Deficiency) of Revenues Over Expenditures	5,252	0	0	19,832
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	5,252	0	0	19,832
Fund Balances - Beginning	14,387	0	0	3,655
Fund Balances - Ending	<u>\$19,639</u>	<u>\$0</u>	<u>\$0</u>	<u>\$23,487</u>

SNAKE RIVER SCHOOL DISTRICT NO. 52
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2019

	Special Revenue Funds			
	Title I-A ESSA IBP	Title I-C ESSA EMC	IDEA Part B 611 School Age 3-21	IDEA Part B 619 Pre-School Age 3-5
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$388,055	\$9,843	\$360,595	\$19,612
Total Revenues	<u>388,055</u>	<u>9,843</u>	<u>360,595</u>	<u>19,612</u>
Expenditures				
Instructional Programs				
Elementary School	279,455			
Secondary School		91		
Vocational-Technical				
Special Education			310,973	
Special Education Preschool				16,521
Interscholastic				
Support Service Programs				
Attendance - Guidance - Health	55,446	9,752		
Special Education Support Services			49,622	3,091
Instruction Improvement				
Educational Media				
Instruction-Related Technology	39,939			
Board of Education				
District Administration				
School Administration				
Business Operation				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services	13,215			
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>388,055</u>	<u>9,843</u>	<u>360,595</u>	<u>19,612</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	0	0	0
Fund Balances - Beginning	0	0	0	0
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

SNAKE RIVER SCHOOL DISTRICT NO. 52
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2019

	Special Revenue Funds			
	School Based Medicaid	Title IV-A ESSA SS & AE	Title V-B ESSA REI	Perkins III Professional Technical Act
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$117,628	\$36,554	\$29,281	\$29,640
Total Revenues	<u>117,628</u>	<u>36,554</u>	<u>29,281</u>	<u>29,640</u>
Expenditures				
Instructional Programs				
Elementary School				
Secondary School				
Vocational-Technical				
Special Education	168,709	25,565		
Special Education Preschool				
Interscholastic				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services	123,534			
Instruction Improvement		10,989	29,281	29,640
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Business Operation				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>292,243</u>	<u>36,554</u>	<u>29,281</u>	<u>29,640</u>
Excess (Deficiency) of Revenues Over Expenditures	(174,615)	0	0	0
Other Financing Sources (Uses)				
Transfers In	174,615			
Transfers Out				
Total Other Financing Sources (Uses)	<u>174,615</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

SNAKE RIVER SCHOOL DISTRICT NO. 52
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2019

	<u>Special Revenue Funds</u>		<u>Capital Projects</u>	
	<u>Title III</u>	<u>Title II-A</u>	<u>Bus Depreciation</u>	<u>Total</u>
	<u>ESSA ELA</u>	<u>ESSA SEI</u>		
Revenues				
Local Taxes				\$0
Other Local Revenue			\$6,482	31,281
State Revenue				493,602
Federal Revenue	\$14,188	\$69,360		1,074,756
Total Revenues	<u>14,188</u>	<u>69,360</u>	<u>6,482</u>	<u>1,599,639</u>
Expenditures				
Instructional Programs				
Elementary School	33	1,500		349,038
Secondary School	14,106	1,212		77,675
Vocational-Technical				44,628
Special Education				505,247
Special Education Preschool				16,521
Interscholastic				0
Support Service Programs				0
Attendance - Guidance - Health				65,198
Special Education Support Services				176,247
Instruction Improvement		66,648		259,954
Educational Media				0
Instruction-Related Technology				294,530
Board of Education				0
District Administration				0
School Administration				0
Business Operation				0
Administrative Technology Service				0
Buildings - Care				0
Maintenance - Non-Student Occupied				0
Maintenance - Student Occupied				0
Maintenance - Grounds				0
Security				3,970
Pupil-To-School Transportation				0
Pupil-Activity Transportation				0
General Transportation				0
Non-Instructional Programs				0
Child Nutrition				0
Community Services	49			13,264
Capital Assets - Student Occupied				0
Capital Assets - Non-Student Occupied			159,240	159,240
Debt Service - Principal				0
Debt Service - Interest				0
Total Expenditures	<u>14,188</u>	<u>69,360</u>	<u>159,240</u>	<u>1,965,512</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(152,758)	(365,873)
Other Financing Sources (Uses)				
Transfers In			94,378	344,701
Transfers Out				0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>94,378</u>	<u>344,701</u>
Net Change in Fund Balances	<u>0</u>	<u>0</u>	<u>(58,380)</u>	<u>(21,172)</u>
Fund Balances - Beginning	<u>0</u>	<u>0</u>	<u>61,362</u>	<u>118,536</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$2,982</u>	<u>\$97,364</u>

SNAKE RIVER SCHOOL DISTRICT NO. 52

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2019

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
US Dept of Agriculture			
<i>Passed Through Idaho Dept of Education:</i>			
Child Nutrition Cluster:			
School Breakfast Program	10.553	201717/201818N109947	\$50,583
National School Lunch Program*	10.555	201717/201818N109947	242,813
Total Child Nutrition Cluster			293,396
Total US Dept of Agriculture			293,396
US Dept of Education			
<i>Direct Program:</i>			
Impact Aid	84.041		15,526
<i>Passed Through Idaho Dept of Education:</i>			
Special Education Cluster:			
Special Education - Grants to States	84.027	H027A17/180088	360,595
Special Education - Preschool Grants	84.173	H173A17/180030	19,612
Total Special Education Cluster			380,207
Title I Grants to Local Educational Agencies	84.010	S010A17/180012	388,055
Migrant Education - State Grant Program	84.011	S011A16/170012	9,843
Career & Technical Education - Basic Grants to States	84.048	None	29,640
Rural Education	84.358	S358B117/180012	29,281
English Language Acquisition State Grants	84.365	S365A17/180012	14,188
Supporting Effective Instruction State Grants	84.367	S367A17/180011	69,360
Student Support & Academic Enrichment	84.424	S424A180013	36,554
Total US Dept of Education			972,654
Total Expenditures of Federal Awards			\$1,266,050

NOTES:

A. Basis of Presentation - The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the School under programs of the federal government for the year ended June 30, 2019. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*. Because the schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School.

B. Summary of Significant Accounting Policies - Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The School has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

***C. Nonmonetary Assistance** - Included in the National School Lunch Program award is USDA food commodities stated at a fair market value of \$44,319.



**Independent Auditor’s Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

Board of Trustees
Snake River School District No. 52

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 the Snake River School District No. 52 (the School), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School’s basic financial statements, and have issued our report thereon dated August 20, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School'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 the School’s internal control. Accordingly, we do not express an opinion on the effectiveness of the School’s internal control.

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

Our consideration of internal control over financial reporting 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 the School’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The

results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Quest CPAs PLLC

Payette, Idaho
August 20, 2019



Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

Board of Trustees
Snake River School District No. 52

Report on Compliance for Each Major Federal Program

We have audited Snake River School District No. 52 (the School's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2019. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School'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 the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School'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 the School's compliance.

Opinion on Each Major Federal Program

In our opinion, the School 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, 2019.

Report on Internal Control Over Compliance

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit of compliance, we considered the School's internal control over compliance with the requirements that could have a direct and material effect on a 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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School'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 in 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Quest CPAs PLLC

Payette, Idaho
August 20, 2019

SNAKE RIVER SCHOOL DISTRICT NO. 52

Schedule of Findings and Questioned Costs

Year Ended June 30, 2019

SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report being issued:

Unmodified
• Each Major Fund
• Aggreg Remain Fund Info
Qualified
• Gov't Activities

Internal control over financial reporting:

Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to the financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings that are required to be reported in accordance with 2 CFR section 200.516(a)?	No

Major program identification:

- a. Child Nutrition Cluster – CFDA #10.553, 10.555
- b. Special Education Cluster – CFDA #84.027, 84.173

Dollar threshold used to distinguish between type A and B programs:	\$750,000
Auditee qualified as a low-risk auditee?	No