

BASIC FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

YEAR ENDED JUNE 30, 2015

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

BASIC FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION
YEAR ENDED JUNE 30, 2015

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SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

BASIC FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION
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Aberdeen, Idaho

Independent Auditor's Report

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 School District No. 58 as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District'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 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 opinions.

Retired District employees pay their own health insurance. Premiums for retired and active employees are the same. The District believes that the future cost of the implicit rate subsidy built into to current health care premiums is not material to the financial statements and that the cost of adopting GASB 45 cannot be justified at the present time. The amount by which this GAAP departure would effect the liabilities and net assets he Statement of Net Assets is not determinable.

Opinions

In our opinion, except for the effects of not providing information regarding Other Postemployment Benefit Obligations as described in the previous paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District No. 58, as of June 30, 2015, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The District has not presented the management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the major fund budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual non major 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual non major fund financial statements and the 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 to 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 September 11, 2015, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

Jones, Yost, Hatt, Erickson P.A.

Pocatello, Idaho
September 11, 2015

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

STATEMENT OF NET ASSETS
 AT JUNE 30, 2015

| | Governmental Activities |
|---|----------------------------|
| ASSETS: | |
| Current Assets: | |
| Pooled cash and cash equivalents | \$1,872,043 |
| Receivables: | |
| Property taxes | 432,017 |
| State | 588,033 |
| Other receivables | 1,051 |
| Non-current Assets: | |
| Capital assets: | |
| Land | 36,474 |
| Property and equipment, net of accumulated depreciation | 6,200,404 |
| Total assets | 9,130,022 |
| DEFERRED OUTFLOWS: | |
| Deferred PERSI outflow of resources | 72,157 |
| LIABILITIES: | |
| Current Liabilities: | |
| Accounts payable | 178,071 |
| Accrued salaries | 442,827 |
| Interest payable | 18,250 |
| Due within one year - bus leases | 74,499 |
| Due within one year - series 2011 bonds | 630,000 |
| Long-term Liabilities: | |
| Due in more than one year - bus leases | 184,309 |
| Due in more than one year - series 2011 bonds | 1,300,000 |
| Net PERSI unfunded pension liability | 866,838 |
| Total liabilities | 3,694,794 |
| DEFERRED INFLOWS: | |
| Deferred PERSI inflow of resources | 1,193,306 |
| NET ASSETS: | |
| Invested in capital assets, net of related debt | 4,029,820 |
| Restricted | 850,355 |
| Committed | 447,329 |
| Unassigned | (1,013,425) |
| Total net assets | \$4,314,079 |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015

| Functions/ Programs | Expenses | Program Revenues | | Net (Expense) Revenue and Changes in Net Assets Governmental Activities |
|---|--------------------|-------------------------|--|--|
| | | Charges for Services | Operating Grants and Contributions | |
| Governmental activities | | | | |
| Instructional services | | | | |
| Regular instruction | \$2,685,962 | \$11,050 | \$557,893 | (\$2,117,019) |
| Special education | 391,599 | | 206,102 | (185,497) |
| Support services | | | | |
| Pupil support | 409,697 | | | (409,697) |
| Staff support | 180,854 | | 200,794 | 19,940 |
| Tech services | 107,324 | | 36,463 | (70,861) |
| Board of education | 14,769 | | | (14,769) |
| District administration | 234,589 | | | (234,589) |
| School administration | 341,572 | | | (341,572) |
| Business operation | 82,575 | | | (82,575) |
| Operation and maintenance | 541,191 | | | (541,191) |
| Transportation | 344,379 | 27,175 | | (317,204) |
| Capital outlay | 100,351 | | | (100,351) |
| Non instructional | 350,075 | 30,068 | 279,306 | (40,701) |
| Interest on long-term debt | 75,689 | | | (75,689) |
| Total governmental activities | <u>\$5,860,626</u> | <u>\$68,293</u> | <u>\$1,280,558</u> | <u>(4,511,775)</u> |
| General revenues | | | | |
| Taxes: | | | | |
| Property taxes levied for general purposes | | | | 685,455 |
| Property taxes levied for debt services | | | | 507,998 |
| Property taxes levied for plant facilities | | | | 276,230 |
| Federal and State aid | | | | |
| State foundation program | | | | 3,772,015 |
| State other | | | | 215,329 |
| Interest and investment earnings | | | | 2,430 |
| Total general revenues | | | | <u>5,459,457</u> |
| Excess revenues before special items | | | | 947,682 |
| Sale of assets | | | | 4,976 |
| Net PERSI pension plan revenue | | | | 264,691 |
| Change in net assets | | | | <u>1,217,349</u> |
| Net assets, June 30, 2014 | | | | 5,349,408 |
| Adjustment for recording District's share of PERSI unfunded pension liability | | | | (2,252,678) |
| Net assets, June 30, 2015 | | | | <u>\$4,314,079</u> |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

BALANCE SHEET
GOVERNMENTAL FUNDS

AT JUNE 30, 2015

| | Major Funds | | | | Totals (Memorandum Only) |
|------------------------------------|-------------|--------------|-----------------|--------------------|--------------------------------|
| | General | Debt Service | Title I Fund | Non Major Funds | |
| ASSETS: | | | | | |
| Cash | \$752,926 | \$669,005 | | \$450,112 | \$1,872,043 |
| Receivables: | | | | | |
| Property taxes | 250,668 | 181,349 | | | 432,017 |
| State of Idaho | 113,948 | | \$158,575 | 315,510 | 588,033 |
| Other receivables | 1,051 | | | | 1,051 |
| Due from other funds | 198,952 | | | | 198,952 |
| Total assets | \$1,317,545 | \$850,354 | \$158,575 | \$765,622 | \$3,092,096 |
| LIABILITIES: | | | | | |
| Accounts payable | \$137,141 | | \$9,862 | \$31,068 | \$178,071 |
| Salaries payable | 353,205 | | 28,202 | 61,420 | 442,827 |
| Due to other funds | | | 87,569 | 111,383 | 198,952 |
| Total liabilities | 490,346 | \$0 | 125,633 | 203,871 | 819,850 |
| DEFERRED RESOURCES: | | | | | |
| Unavailable property taxes | 31,822 | 24,727 | | 11,943 | 68,492 |
| FUND BALANCE: | | | | | |
| Restricted | | 825,627 | | | 825,627 |
| Committed | | | 32,942 | 549,808 | 582,750 |
| Unassigned | 795,377 | | | | 795,377 |
| Total fund balance | 795,377 | 825,627 | 32,942 | 549,808 | 2,203,754 |
| Total liabilities and fund balance | \$1,317,545 | \$850,354 | \$158,575 | \$765,622 | \$3,092,096 |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
AT JUNE 30, 2015

| | | |
|---|--------------------|---------------------------|
| Total fund balances - Governmental Funds | | \$2,203,754 |
| <p>Total net assets reported for governmental activities in the Statement of Net Assets is different because:</p> | | |
| <p style="padding-left: 40px;">Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.</p> | | |
| Cost of capital assets | \$11,247,501 | |
| Depreciation expense to date | <u>(5,010,623)</u> | 6,236,878 |
| <p>Some of the District's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and therefore are reported as deferred revenue in the governmental funds.</p> | | |
| | | 68,492 |
| <p>Deferred amounts are not current financial resources/uses. Therefore they are not reported in the Governmental funds.</p> | | |
| Deferred PERSI outflows | 72,157 | |
| Deferred PERSI inflows | <u>(1,193,306)</u> | (1,121,149) |
| <p>Long term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.</p> | | |
| Lease purchase payable | (258,808) | |
| Bonds payable | (1,930,000) | |
| Accrued interest on bonds | (18,250) | |
| District's share of PERSI unfunded pension liability | <u>(866,838)</u> | <u>(3,073,896)</u> |
| Total Net Assets | | <u><u>\$4,314,079</u></u> |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2015

| | General Fund | Debt Service Fund | Title I Fund | Non Major Funds | Total Governmental Funds |
|--|-------------------------|-------------------------|------------------------|-------------------------|--------------------------------|
| REVENUES: | | | | | |
| Local: | | | | | |
| Property taxes (net of cancellations) | \$685,018 | \$510,084 | | \$273,921 | \$1,469,023 |
| Earnings on investments | 2,430 | | | | 2,430 |
| Other local | 45,466 | | | \$54,625 | 100,091 |
| State: | | | | | |
| Base support | 3,162,425 | | | | 3,162,425 |
| Transportation | 189,540 | | | | 189,540 |
| State paid benefits | 420,050 | | | | 420,050 |
| Other | 291,799 | 86,088 | | 106,586 | 484,473 |
| Federal assistance | | | \$282,133 | 702,459 | 984,592 |
| Total revenues | <u>4,796,728</u> | <u>596,172</u> | <u>282,133</u> | <u>1,137,591</u> | <u>6,812,624</u> |
| EXPENDITURES: | | | | | |
| Instructional services | 2,529,581 | | 208,072 | 230,789 | 2,968,442 |
| Support Services: | | | | | |
| Pupil support | 226,879 | | 54,760 | 128,058 | 409,697 |
| Staff support | 100,192 | | | 80,662 | 180,854 |
| Technology | 65,881 | | | 41,443 | 107,324 |
| Board of education | 14,769 | | | | 14,769 |
| District administration | 234,589 | | | | 234,589 |
| School administration | 341,572 | | | | 341,572 |
| Business operation | 82,575 | | | | 82,575 |
| Operation and maintenance | 536,711 | | | | 536,711 |
| Transportation | 269,122 | | | | 269,122 |
| Other non instructional | 1,040 | | | 335,510 | 336,550 |
| Debt Service: | | | | | |
| Principal | | 615,000 | | | 615,000 |
| Interest | | 63,397 | | | 63,397 |
| Capital Assets | | | | 300,645 | 300,645 |
| Total expenditures | <u>4,402,911</u> | <u>678,397</u> | <u>262,832</u> | <u>1,117,107</u> | <u>6,461,247</u> |
| EXCESS REVENUES (EXPENDITURES) | 393,817 | (82,225) | 19,301 | 20,484 | 351,377 |
| OTHER FINANCING SOURCES (USES): | | | | | |
| Transfers (to) from other funds | <u>(60,217)</u> | | <u>(7,685)</u> | <u>67,902</u> | <u>0</u> |
| NET CHANGE IN FUND BALANCES | 333,600 | (82,225) | 11,616 | 88,386 | 351,377 |
| FUND EQUITY - JUNE 30, 2014 | <u>461,777</u> | <u>907,852</u> | <u>21,326</u> | <u>461,422</u> | <u>1,852,377</u> |
| FUND EQUITY - JUNE 30, 2015 | <u><u>\$795,377</u></u> | <u><u>\$825,627</u></u> | <u><u>\$32,942</u></u> | <u><u>\$549,808</u></u> | <u><u>\$2,203,754</u></u> |

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES OF GOVERNMENT FUNDS TO THE STATEMENT OF ACTIVITIES
 AT JUNE 30, 2015

Total net change in fund balances - Governmental Funds \$351,377

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

Governmental funds report capital outlays as expenditures. However in the
 Statement of Activities, assets with an initial, individual cost of more than \$5,000
 are capitalized and the cost is allocated over estimated useful lives as depreciation
 expense. This is the amount by which depreciation exceeds capital outlays in the period.

| | | |
|--------------------------------|-------------|---------|
| Depreciation expense this year | (\$316,061) | |
| Current year capital outlays | 592,968 | |
| | 276,907 | 276,907 |

Governmental funds report debt proceeds as financing sources, while repayment
 of debt principal is reported as an expenditure. In the Statement of Net Assets,
 debt increases liabilities and does not effect the Statement of Activities. Repayment
 of debt reduces the liability.

| | | |
|--|-----------|---------|
| Current year repayment of bond principal | 615,000 | |
| Current year bus lease payments | 71,621 | |
| 4 new busses financed | (295,386) | |
| | 319,614 | 319,614 |

Because some property taxes will not be collected for several months after the
 District's year end, they are not considered as available revenue in the
 Governmental funds. They are recorded as current revenue in the Statement
 of Activities. 660

Revenue and expenses that do not require the use of current financial resources
 are not reported in the Governmental funds.
 Current year net PERSI revenue 264,691

Interest on long-term debt in the Statement of Activities differs from amounts
 reported in the Governmental Funds because interest is recorded as an
 expenditure in the funds when it is due 4,100

Total Change in Net Assets \$1,217,349

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND

YEAR ENDED JUNE 30, 2015

| | Original and Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------|------------------------------|-------------|--|
| REVENUE: | | | |
| Property taxes | \$680,793 | \$685,018 | \$4,225 |
| Investment interest | 830 | 2,430 | 1,600 |
| Other local | 41,570 | 45,466 | 3,896 |
| State base support | 3,097,504 | 3,162,425 | 64,921 |
| State transportation | 204,710 | 189,540 | (15,170) |
| State paid benefits | 412,576 | 420,050 | 7,474 |
| Other State | 240,022 | 291,799 | 51,777 |
| Total General Fund Revenues | \$4,678,005 | \$4,796,728 | \$118,723 |
| EXPENDITURES: | | | |
| INSTRUCTION: | | | |
| Elementary Programs: | | | |
| Salaries | \$668,298 | \$663,814 | \$4,484 |
| Benefits | 257,116 | 250,214 | 6,902 |
| Purchased services | 1,250 | 1,250 | 0 |
| Materials and supplies | 33,634 | 27,361 | 6,273 |
| | 960,298 | 942,639 | 17,659 |
| Secondary Programs: | | | |
| Salaries | 853,833 | 848,939 | 4,894 |
| Benefits | 311,546 | 303,057 | 8,489 |
| Purchased services | 23,250 | 9,983 | 13,267 |
| Materials and supplies | 7,546 | 6,796 | 750 |
| | 1,196,175 | 1,168,775 | 27,400 |
| Special Programs: | | | |
| Salaries | 227,708 | 224,992 | 2,716 |
| Benefits | 87,868 | 80,076 | 7,792 |
| Purchased services | 4,394 | 2,500 | 1,894 |
| Materials and supplies | 3,140 | 3,337 | (197) |
| | 323,110 | 310,905 | 12,205 |
| Activity Programs: | | | |
| Salaries | 60,058 | 54,439 | 5,619 |
| Benefits | 8,646 | 7,404 | 1,242 |
| Purchased services | 44,553 | 44,266 | 287 |
| Materials and supplies | 1,000 | 17 | 983 |
| Insurance | 1,238 | | 1,238 |
| | 115,495 | 106,126 | 9,369 |
| Summer/After School Programs: | | | |
| Salaries | 2,400 | 920 | 1,480 |
| Benefits | 538 | 216 | 322 |
| Materials and supplies | 500 | | 500 |
| | 3,438 | 1,136 | 2,302 |
| Total instruction | 2,598,516 | 2,529,581 | 68,935 |
| SUPPORT SERVICES: | | | |
| Guidance/Health | | | |
| Salaries | 88,372 | 88,534 | (162) |
| Benefits | 31,578 | 31,239 | 339 |
| Purchased services | 200 | 747 | (547) |
| Materials and supplies | 400 | 287 | 113 |
| | 120,550 | 120,807 | (257) |
| Special Services | | | |
| Salaries | 68,217 | 62,072 | 6,145 |
| Benefits | 27,115 | 22,326 | 4,789 |
| Purchased services | 17,806 | 21,008 | (3,202) |
| Materials and supplies | 1,000 | 666 | 334 |
| | 114,138 | 106,072 | 8,066 |
| Instructional Improvement: | | | |
| Salaries | | 687 | (687) |
| Benefits | 13 | 129 | (116) |
| Purchased services | 15,161 | 4,433 | 10,728 |
| Materials and supplies | 500 | 0 | 500 |
| | 15,674 | 5,249 | 10,425 |
| Media Program: | | | |
| Salaries | 66,145 | 66,006 | 139 |
| Benefits | 21,913 | 20,398 | 1,515 |
| Purchased services | 2,247 | 2,247 | 0 |
| Materials and supplies | 6,320 | 6,292 | 28 |
| | 96,625 | 94,943 | 1,682 |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND - (CONTINUED)

YEAR ENDED JUNE 30, 2015

| | Original and Final Budget | Actual | Variance Favorable (Unfavorable) |
|---|------------------------------|------------------|--|
| Technology: | | | |
| Salaries | \$33,758 | \$33,888 | (\$130) |
| Benefits | 11,966 | 12,390 | (424) |
| Purchased services | 25,500 | 19,508 | 5,992 |
| Materials and supplies | 3,000 | 95 | 2,905 |
| | <u>74,224</u> | <u>65,881</u> | <u>8,343</u> |
| Board of Education: | | | |
| Benefits | 26 | 26 | 0 |
| Purchased services | 15,000 | 10,689 | 4,311 |
| Materials and supplies | 3,700 | 3,948 | (248) |
| Insurance | 106 | 106 | 0 |
| | <u>18,832</u> | <u>14,769</u> | <u>4,063</u> |
| District Administration: | | | |
| Salaries | 165,309 | 167,590 | (2,281) |
| Benefits | 61,824 | 60,784 | 1,040 |
| Purchased services | 8,250 | 4,894 | 3,356 |
| Materials and supplies | 2,000 | 1,321 | 679 |
| | <u>237,383</u> | <u>234,589</u> | <u>2,794</u> |
| School Administration: | | | |
| Salaries | 220,791 | 224,648 | (3,857) |
| Benefits | 100,475 | 100,510 | (35) |
| Purchased services | 8,750 | 12,555 | (3,805) |
| Materials and supplies | 3,406 | 3,859 | (453) |
| | <u>333,422</u> | <u>341,572</u> | <u>(8,150)</u> |
| Business Operation: | | | |
| Salaries | 20,000 | 9,000 | 11,000 |
| Benefits | 7,478 | 4,029 | 3,449 |
| Purchased services | 32,200 | 37,373 | (5,173) |
| Materials and supplies | 33,500 | 32,173 | 1,327 |
| | <u>93,178</u> | <u>82,575</u> | <u>10,603</u> |
| Operation and maintenance: | | | |
| Salaries | 158,549 | 162,803 | (4,254) |
| Benefits | 63,202 | 62,649 | 553 |
| Purchased services | 264,350 | 194,190 | 70,160 |
| Materials and supplies | 60,000 | 59,533 | 467 |
| Capital outlay | 0 | 8,170 | (8,170) |
| Insurance | 49,366 | 49,366 | 0 |
| | <u>595,467</u> | <u>536,711</u> | <u>58,756</u> |
| Transportation: | | | |
| Salaries | 101,083 | 108,299 | (7,216) |
| Benefits | 79,015 | 81,652 | (2,637) |
| Purchased services | 25,689 | 12,451 | 13,238 |
| Materials and supplies | 108,750 | 56,789 | 51,961 |
| Insurance/Judgments | 9,931 | 9,931 | 0 |
| | <u>324,468</u> | <u>269,122</u> | <u>55,346</u> |
| Capital outlay/contingency | <u>0</u> | <u>0</u> | <u>0</u> |
| School lunch | <u>500</u> | <u>1,040</u> | <u>120,545</u> |
| Total support services | <u>2,024,461</u> | <u>1,873,330</u> | <u>272,216</u> |
| Total General Fund Expenditures | <u>4,622,977</u> | <u>4,402,911</u> | <u>341,151</u> |
| Excess Revenues over Expenditures | 55,028 | 393,817 | 338,789 |
| Transfers (to) from other funds | <u>(27,672)</u> | <u>(60,217)</u> | <u>(32,545)</u> |
| Excess revenues and other financing sources over expenditures and other financing uses | <u>\$27,356</u> | 333,600 | <u>\$306,244</u> |
| FUND EQUITY - JUNE 30, 2014 | | <u>461,777</u> | |
| FUND EQUITY - JUNE 30, 2015 | | <u>\$795,377</u> | |

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - DEBT SERVICE FUND

YEAR ENDED JUNE 30, 2015

| | Original and Final Budget | Actual | Variance Favorable (Unfavorable) |
|-----------------------------------|------------------------------|-------------------------|--|
| REVENUE: | | | |
| Property taxes | \$505,989 | \$510,084 | \$4,095 |
| State | 86,088 | 86,088 | 0 |
| | <u>592,077</u> | <u>596,172</u> | <u>4,095</u> |
| EXPENDITURES: | | | |
| Principal | 615,000 | 615,000 | 0 |
| Interest | 63,400 | 63,397 | 3 |
| | <u>678,400</u> | <u>678,397</u> | <u>3</u> |
| Excess revenues over expenditures | (86,323) | (82,225) | 4,098 |
| FUND EQUITY - JUNE 30, 2014 | <u>907,852</u> | <u>907,852</u> | <u>0</u> |
| FUND EQUITY - JUNE 30, 2015 | <u><u>\$821,529</u></u> | <u><u>\$825,627</u></u> | <u><u>\$4,098</u></u> |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - TITLE I FUND

YEAR ENDED JUNE 30, 2015

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|--------------------------------------|-----------------|---|
| REVENUE: | | | |
| Federal assistance | \$282,133 | \$282,133 | \$0 |
| Other | 0 | 0 | 0 |
| | <u>282,133</u> | <u>282,133</u> | <u>0</u> |
| EXPENDITURES: | | | |
| Instruction: | | | |
| Salaries | 129,395 | 119,733 | 9,662 |
| Benefits | 48,097 | 44,137 | 3,960 |
| Purchased services | 38,955 | 32,398 | 6,557 |
| Materials and supplies | 17,337 | 11,804 | 5,533 |
| Support Services: | | | |
| Salaries | 44,982 | 40,187 | 4,795 |
| Benefits | 14,689 | 13,983 | 706 |
| Materials and supplies | 2,312 | 590 | 1,722 |
| | <u>295,767</u> | <u>262,832</u> | <u>32,935</u> |
| Excess revenues over expenditures | (13,634) | 19,301 | 32,935 |
| Transfers (to) from other funds | <u>(7,691)</u> | <u>(7,685)</u> | <u>(6)</u> |
| Excess revenues and other financing sources over expenditures and other financing uses | <u>(\$21,325)</u> | 11,616 | <u>\$32,929</u> |
| FUND EQUITY - JUNE 30, 2014 | | <u>21,326</u> | |
| FUND EQUITY - JUNE 30, 2015 | | <u>\$32,942</u> | |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF FIDUCIARY FUND ASSETS AND LIABILITIES

AT JUNE 30, 2015

ASSETS:

| | | |
|----------------------|--|------------------|
| Cash and equivalents | | <u>\$212,691</u> |
|----------------------|--|------------------|

LIABILITIES

| | | |
|-----------------------------------|----------|--|
| Due to High School Student groups | \$82,926 | |
|-----------------------------------|----------|--|

| | | |
|-------------------------------------|--------|--|
| Due to Middle School Student groups | 72,872 | |
|-------------------------------------|--------|--|

| | | |
|---|--------|--|
| Due to Elementary School Student groups | 46,771 | |
|---|--------|--|

| | | |
|---------------------------------|---------------|--|
| Due to Rapha Brown Scholarships | <u>10,122</u> | |
|---------------------------------|---------------|--|

| | | |
|--|--|------------------|
| | | <u>\$212,691</u> |
|--|--|------------------|

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Financial Statements of Aberdeen School District No. 58 have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

Reporting Entity - For financial reporting purposes, management has considered potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in generally accepted accounting principles. The basic criterion for including a potential component unit within the reporting entity is the governing body's responsibility for financial accountability. Financial accountability is defined as the level of accountability that exists if a primary government appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that fiscally dependent on it. Based upon the application of these criteria, the District has no potential component units.

Government-wide and fund financial statements - The Statement of Net Assets and the Statement of changes in net assets display information about the District. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to a particular function. Depreciation expenses for capital assets that can specifically be identified with a function are included in its direct expenses.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS – (CONTINUED)
YEAR ENDED JUNE 30, 2015

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Depreciation expense for shared assets (are ratably included in the direct expenses for the appropriate functions. Interest on general long term liabilities is considered an indirect expense and is reported in the statement of activities as a separate line item. Program revenues include 1) fees and charges paid by students and other recipients of goods or services offered by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Revenues that are not classified as program revenues, including property taxes, are presented as general revenues.

The fund financial statements provide information about the District's funds, including its fiduciary funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

The District reports the following major funds:

The **general fund** is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **debt service** fund accounts for resources accumulated and payments to retire long term bonds.

Additionally the District reports the following fund type:

The **student activity accounts** (a fiduciary fund) accounts for monies held on behalf of student groups.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS – (CONTINUED)
YEAR ENDED JUNE 30, 2015

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Measurement focus, basis of accounting, and financial statement presentation –

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non exchange transactions, in which the District receives value without directly giving equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been met.

Governmental fund financial statements are reported using the financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when the District receives cash. Expenditures generally are recorded when the related fund liability is incurred, except for principal and interest on general long term debt, claims and judgments, early retirement, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long term debt and capital leases are reported as other financing sources.

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

Budgetary Data - Budgets are presented on the modified accrual basis of accounting for all governmental funds. All annual appropriations lapse at fiscal year end with the exception of those indicated as a fund balance reserve. The following procedures are used in establishing the budgetary data reflected in the financial statements.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS – (CONTINUED)
YEAR ENDED JUNE 30, 2015

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

During May of each year, the Superintendent submits to the School Board a proposed operating budget for the next fiscal year commencing on July 1st. This budget includes proposed expenditures and the means of financing them

Copies of the proposed budget are made available for public inspection and review by the patrons of the District.

After considering patron input at a public hearing in June, the Board adopts the budget.

Once adopted, the budget can be amended by subsequent Board action. The Board upon recommendation of the superintendent can approve reductions in appropriations, but increases in appropriations by fund require a public hearing prior to amending the budget.

Expenditures may not legally exceed budgeted appropriations at the fund level.

Encumbrances are not liabilities and they are not recorded as expenditures until receipt of material or services. For budgetary purposes, appropriations lapse at year end and are rebudgeted the following year. The District does not reserve fund balance for outstanding encumbrances at year end.

Deposits and investments – The cash balances of substantially all funds are pooled and invested by the District for purposes of increasing earnings through investment activities. The District's investments are reported at fair value at year end. The Idaho State Treasurer's Local Government Pool operates in accordance with appropriate state laws and regulations. Changes in the fair value of investments are recorded as investment earnings. Earnings on pooled funds are apportioned to the funds based on the average balance of each participating fund.

Cash and Cash Equivalents – The District considers investments with an original maturity of three months or less to be cash equivalent.

Receivables and Payables – Activity between funds that are representative of lending/borrowing arrangements outstanding at year end are referred to as due to/due from other funds.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2015

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Inventories – Inventories of governmental funds are recorded as expenditures when purchased. Financial statements for the school lunch program do not show the value of donated commodities.

Capital Assets – Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

Depreciation is recorded using the straight line method over the estimated useful lives as follows: Buildings and improvements 20-40 years. Buses 10 years, furniture and equipment 3-15 years.

Compensated Absences – Employees are granted vacation and sick leave in varying amounts. Accumulated vacation must be used prior to the employee's anniversary date. The District does not compensate employees for unused sick leave. When a teacher retires an amount equal to one half of the accumulated sick leave is reported to the State Retirement Board. The amount is used to pay the retiree's health insurance.

Long term obligations – In the government wide financial statements, long term debt and other long term obligations are reported as liabilities in the applicable statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2015

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Fund Equity – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a restricted purpose. Designations of fund balance represent tentative plans for future use of financial resources that are subject to change.

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

2. **DEPOSITS AND INVESTMENTS**

The District invests its idle cash in the Idaho State Treasurer's local government investment pool. The deposits are stated at cash which approximates market. The State Treasurer combines deposits from all government entities in Idaho, who participate in the pool, and purchases the following types of investments: Local Certificates of Deposit, Repurchase Agreements, and U.S. Government Securities.

The Entities participating in the pool own a percentage of each investment held. This percentage is calculated by dividing the individual entity's deposits by the total deposits held in the pool. The purpose of this is to: increase overall the rate of return, reduce risk of default, and place each entity under the FDIC and FSLIC limits of \$250,000.

Under Idaho Code Section 67-1210 the District is authorized to invest surplus or idle moneys in investments subject to the following standards, guidelines and restrictions:

- a. District moneys shall not be made in any depository of financial institution in an amount, which exceeds ten (10%) of said entity's capital and surplus. Any investments to be made above Federal Deposit Insurance requires the depository to have a current "Moody's Bank Credit Report Service" rating of "A" or better.
- b. No demand deposits or investment in time deposits or certificates of deposit shall be made in financial institutions insured in whole or in part by the Federal Savings and Loan Insurance Corporation or in any State or Federal credit unions insurance programs in an amount in excess of the insurance available.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2015

2. **DEPOSITS AND INVESTMENTS (CONTINUED)**

Investments allowable under “Idaho Code Section 67-1210” are:

- a. Bonds, Treasury bills, interest bearing notes, or other obligations of the United States, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- b. General obligation or revenue bonds of this State, or those for which the faith and credit of this State are pledged for payment of principal and interest.
- c. General obligation or revenue bonds of any county, city, metropolitan water district, municipal utility district, school district or other taxing district of this State.
- d. Notes, bonds, debentures, or other similar obligations issued by the Farm Credit System or institutions forming a part thereof under the Farm Credit act of 1971.
- e. Bonds, notes or other similar obligations issued by public corporations of the State of Idaho including, but not limited to, the Idaho State Building Authority, the Idaho Housing Authority and the Idaho Water Resource Board. These investments shall not extend beyond seven (7) days.
- f. Repurchase agreements covered by any legal investment for the State of Idaho.
- g. Tax anticipation notes and registered warrants of the State of Idaho.
- h. Tax anticipation bonds or notes and income and revenue anticipation bonds or notes of taxing District’s of the State of Idaho.
- i. Time deposits and savings accounts in state depositories including, but not limited to, accounts on which interest or dividends are paid and upon which negotiable orders of withdrawal may be drawn, and similar transactions accounts.
- j. Time deposit accounts and savings accounts of federal savings and loan associations located within the geographical boundaries of the state in amounts not to exceed the insurance provided by the Federal Savings and Loan Insurance Corporation including, but not limited to, accounts on which interest or dividends are paid and upon which negotiable orders of withdrawal may be drawn, and similar transaction accounts.
- k. Revenue bonds of institutions of higher education of the State of Idaho.
- l. Share, savings and deposit accounts of state and federal credit unions located within the geographical boundaries of the state in amounts not to exceed the insurance provided by the National Credit Union Share Insurance Fund and/or any other authorized deposit guaranty corporation, including but not limited to, accounts on which interest or dividends are paid and upon which negotiable orders of withdrawal may be drawn, and similar transaction accounts.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2015

3. **PROPERTY TAXES**

Taxes are levied by the second Monday on September on assessed valuations as of June 30. Taxes on real property are payable in two equal installments on December 20, and June 30, of the following year. Personal property taxes are due December 20. Delinquent payments bear simple interest of 1% per month plus a 2% penalty. Due to the small amount of taxes not collected no adjustment is made for delinquent taxes.

4. **CAPITAL ASSETS**

| Governmental Activities: | <u>7/1/14</u> | <u>Increase</u> | <u>Decrease</u> | <u>6/30/15</u> |
|--|---------------------------|-------------------------|--------------------|---------------------------|
| Capital Assets not being depreciated: | | | | |
| Land | <u>\$36,474</u> | <u> </u> | <u> </u> | <u>\$36,474</u> |
| Capital Assets being depreciated: | | | | |
| Buildings & improvements | 9,144,974 | \$188,917 | | 9,333,891 |
| Furniture & equipment | 623,053 | \$37,044 | | 660,097 |
| Vehicles | <u>1,034,232</u> | <u>295,386</u> | <u>(\$112,579)</u> | <u>1,217,039</u> |
| | <u>10,802,259</u> | <u>521,347</u> | <u>(112,579)</u> | <u>11,211,027</u> |
| Accumulated Depreciation: | | | | |
| Buildings & improvements | 3,508,340 | 206,801 | | 3,715,141 |
| Furniture & equipment | 429,300 | 33,919 | | 463,219 |
| Vehicles | <u>869,501</u> | <u>75,341</u> | <u>(112,579)</u> | <u>832,263</u> |
| | <u>4,807,141</u> | <u>316,061</u> | <u>(112,579)</u> | <u>5,010,623</u> |
| Total Capital Assets-Net of Depreciation | <u><u>\$6,031,592</u></u> | <u><u>\$205,286</u></u> | <u><u>\$0</u></u> | <u><u>\$6,236,878</u></u> |

Depreciation was charged to functions as follows:

| | |
|-------------------------|-------------------------|
| Non instructional | \$13,525 |
| Transportation | 75,257 |
| Operation & maintenance | 12,480 |
| Regular instruction | <u>214,799</u> |
| | <u><u>\$316,061</u></u> |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2015

5. **PUBLIC EMPLOYEES RETIREMENT SYSTEM**

Pension Benefits

The Aberdeen School District #58 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.

Employee membership data related to the PERSI Base Plan, as of June 30, 2014 was as follows:

| | |
|---|------------------|
| Retirees and beneficiaries currently receiving benefits | \$40,776 |
| Terminated employees entitled to but not yet receiving benefits | 11,504 |
| Active plan members | <u>66,223</u> |
| | <u>\$118,503</u> |

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. Amounts in parenthesis represent police/firefighters.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2015

5. **PUBLIC EMPLOYEES RETIREMENT SYSTEM -CONTINUED**

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 established as a percent of covered compensation and earnings from investments. 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) if current rates are actuarially determined to be inadequate or in excess to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% (72%) of the employer rate. As of June 30, 2014 it was 6.79% (8.36%). The employer contribution rate is set by the Retirement Board and was 11.32% (11.66%) of covered compensation. The Aberdeen School District #58's contributions were \$570,974 for the year ended June 30, 2014.

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

At June 30, 2015 the Aberdeen School District #58 reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participation PERSI Base Plan employers. At July 1, 2014, the Aberdeen School District's proportion was .1177519 percent.

For the year ended June 30, 2015, the Aberdeen District #58 recognized pension expense (revenue) of \$264,691. At June 30, 2014, the Aberdeen School District #58

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2015

5. **PUBLIC EMPLOYEES RETIREMENT SYSTEM - CONTINUED**

reported deferred outflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | \$0 | \$107,605 |
| Changes in assumptions or other inputs | 72,157 | 0 |
| Net difference between projected and actual earnings on pension plan investments | 0 | 1,085,701 |
| Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions | 0 | 0 |
| Aberdeen School District #58 contributions subsequent to the measurement date | 570,974 | 0 |
| Total | \$643,131 | \$1,193,306 |

\$570,974 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2015.

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, 2013 the beginning of the measurement period ended June 30, 2014 is 5.6 years.

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:

Year ended June 30:

| | |
|------------|-----------|
| 2015 | \$279,512 |
| 2016 | \$279,512 |
| 2017 | \$279,512 |
| 2018 | \$279,512 |
| 2019 | \$ 4,624 |
| Thereafter | \$ 0 |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2015

5. **PUBLIC EMPLOYEES RETIREMENT SYSTEM - CONTINUED**

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 July 1, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|----------------------------|-----------------------------------|
| Inflation | 3.25% |
| Salary increases | 4.5-10.25% |
| 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 mail 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 in 2012 for the period July 1, 2007 through June 30, 2011 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, 2014 is based on the results of an actuarial valuation date of July 1, 2014.

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

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
 YEAR ENDED JUNE 30, 2015

5. **PUBLIC EMPLOYEES RETIREMENT SYSTEM - CONTINUED**

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, 2014.

| Asset Class | Index | Target Allocation | Long-Term Expected Real Rate of Return |
|--|------------------------------|----------------------|---|
| Core Fixed Income | Barclays Aggregate | 30.00% | 0.80% |
| Broad US Equities | Wilshire 5000 / Russell 3000 | 55.00% | 6.90% |
| Developed Foreign Equities | MSCI EAFE | 15.00% | 7.55% |
| Assumed Inflation - Mean | | | 3.25% |
| Assumed Inflation - Standard Deviation | | | 2.00% |
| Portfolio Arithmetic Mean Return | | | 8.42% |
| Portfolio Standard Deviation | | | 13.34% |
| Portfolio Long-Term Expected Rate of Return | | | 7.50% |
| Assumed Investment Expenses | | | 0.40% |
| Long-Term Expected Rate of Return, Net of Investment Expenses | | | 7.10% |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2015

5. **PUBLIC EMPLOYEES RETIREMENT SYSTEM - CONTINUED**

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

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 7.10 percent, as well as what the Employer'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%) |
|---|------------------------|-------------------------------------|------------------------|
| Employer's proportionate share of the net pension liability (asset) | \$3,010,276 | \$866,838 | (\$914,983) |

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.gov.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2015

5. **PUBLIC EMPLOYEES RETIREMENT SYSTEM - CONTINUED**

Payables to the pension plan

At June 30, 2015, the Aberdeen School District #58 reported payables to the defined benefit pension plan of \$356,898 for legally required employer contributions and \$214,076 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

Required Supplementary Information

Schedule of Employer's Share of Net Pension Liability
PERSI – Base Plan
Last 10 – Fiscal Years *

| | 2015 |
|--|-------------|
| Employer's portion of net the pension liability | 1177519% |
| Employer's proportionate share of the net pension liability | \$866,838 |
| Employer's covered-employee payroll | \$2,531,895 |
| Employer's proportional share of the net pension as a percentage of its covered Employee payroll | 34% |
| Plan fiduciary net position as a percentage of the total pension liability | 94.95% |

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Aberdeen School District #58 will present information for those use for which information is available.

Data reported is measured as of July 1, 2014.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2015

5. **PUBLIC EMPLOYEES RETIREMENT SYSTEM - CONTINUED**

**Schedule of Employer Contributions
PERSI – Base Plan
Last 10 – Fiscal Years***

| | 2015 |
|--|-------------|
| Statutorily required contribution | \$382,743 |
| Contributions in relation to the statutorily required contribution | \$366,192 |
| Contribution (deficiency) excess | (\$16,550) |
| Employer’s covered-employee payroll | \$2,531,895 |
| Contributions as a percentage of covered-employee payroll | 15.1% |

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Aberdeen School District #58 will present information for those use for which information is available.

Data is reported is measured as of July 1, 2014.

6. **LONG-TERM DEBT**

General Obligation Refunding Bond Series 2011 were issued August 2011 in the amount of \$3,170,000. Proceeds were placed in escrow at Zion’s Bank. In August of 2012 the proceeds of the 2011 series bonds were used to retire the outstanding 2002 bonds. Scheduled payments due on the Series 2011 bonds are as follows:

| | <u>Principal</u> | <u>Interest</u> | <u>Total Debt Service</u> |
|----------|------------------|-----------------|---------------------------|
| 8/1/2015 | \$630,000 | \$27,375 | \$657,375 |
| 2/1/2016 | | 19,500 | 19,500 |
| 8/1/2016 | 640,000 | 19,500 | 659,500 |
| 2/1/2017 | | 9,900 | 9,900 |
| 8/1/2017 | 660,000 | 9,900 | 669,900 |
| | \$1,930,000 | \$86,175 | \$2,016,175 |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2015

6. LONG-TERM DEBT - CONTINUED

The District has financed the purchase of the following school buses:

2012 72 Passenger School Bus 3.75% interest:

| | <u>Principal</u> | <u>Interest</u> | <u>Total Debt Service</u> |
|--------------|-----------------------------|-----------------------------|-----------------------------|
| January 2016 | \$17,844 | \$669 | \$18,513 |
| | <u> </u> | <u> </u> | <u> </u> |

2015 72 Passenger School Bus 4.5% interest:

| | <u>Principal</u> | <u>Interest</u> | <u>Total Debt Service</u> |
|-------------|-----------------------------|-----------------------------|-----------------------------|
| August 2015 | \$16,203 | \$3,119 | \$19,322 |
| August 2016 | 16,932 | 2,390 | 19,322 |
| August 2017 | 17,694 | 1,628 | 19,322 |
| August 2018 | 18,491 | 831 | 19,322 |
| | <u> </u> | <u> </u> | <u> </u> |
| | <u>\$69,320</u> | <u>\$7,968</u> | <u>\$77,288</u> |

2015 18 Passenger School Bus 4.5% interest:

| | <u>Principal</u> | <u>Interest</u> | <u>Total Debt Service</u> |
|-------------|-----------------------------|-----------------------------|-----------------------------|
| August 2015 | \$11,997 | \$2,310 | \$14,307 |
| August 2016 | 12,537 | 1,770 | 14,307 |
| August 2017 | 13,101 | 1,206 | 14,307 |
| August 2018 | 13,690 | 617 | 14,307 |
| | <u> </u> | <u> </u> | <u> </u> |
| | <u>\$51,325</u> | <u>\$5,903</u> | <u>\$57,228</u> |

2016 72 Passenger School Bus 3.75% interest:

| | <u>Principal</u> | <u>Interest</u> | <u>Total Debt Service</u> |
|-----------|-----------------------------|-----------------------------|-----------------------------|
| June 2016 | \$16,707 | \$2,650 | \$19,357 |
| June 2016 | 17,333 | 2,024 | 19,357 |
| June 2016 | 17,983 | 1,374 | 19,357 |
| June 2016 | 18,657 | 700 | 19,357 |
| | <u> </u> | <u> </u> | <u> </u> |
| | <u>\$70,680</u> | <u>\$6,748</u> | <u>\$77,428</u> |

2016 24 Passenger School Bus 3.65% interest:

| | <u>Principal</u> | <u>Interest</u> | <u>Total Debt Service</u> |
|-----------|-----------------------------|-----------------------------|-----------------------------|
| June 2016 | \$11,748 | \$1,812 | \$13,560 |
| June 2016 | 12,177 | 1,383 | 13,560 |
| June 2016 | 12,622 | 938 | 13,560 |
| June 2016 | 13,090 | 470 | 13,560 |
| | <u> </u> | <u> </u> | <u> </u> |
| | <u>\$49,637</u> | <u>\$4,603</u> | <u>\$54,240</u> |

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
 YEAR ENDED JUNE 30, 2015

6. LONG-TERM DEBT - CONTINUED

Beginning in the fiscal year ended June 30, 2015 GASB 68 requires the District to record its share of PERSI's unfunded pension liability. The June 30, 2015 liability amount is not available at this time. The District's share of PERSI's unfunded liability at June 30, 2014 was \$866,838. That amount has been recorded as a long term liability on the statement of net assets. The June 30, 2013 net PERSI pension liability amount of \$2,252,678 was recorded as a prior period adjustment to equity on the Statement of Activities..

The following is a summary of long term debt transactions for the year ended June 30, 2015:

| | Balance <u>7/1/14</u> | Debt <u>Acquired</u> | Debt <u>Retired</u> | <u>6/30/15</u> |
|--|--------------------------|-------------------------|------------------------|--------------------|
| Bus lease purchases | \$35,043 | \$295,386 | (\$71,621) | \$258,808 |
| 2011 Series Bonds | 2,545,000 | | (615,000) | 1,930,000 |
| District's share of PERSI unfunded liability | <u>0</u> | <u>866,838</u> | | <u>866,838</u> |
| | <u>\$2,580,043</u> | <u>\$1,162,224</u> | <u>(\$686,621)</u> | <u>\$3,055,646</u> |

7. DUE TO DUE FROM

Federal program funds are temporarily overspent while waiting for Federal Reimbursements. The Debt Service Fund tax levy was not sufficient Deficit cash is shown as due to other funds as follows:

| | <u>Due From</u> | <u>Due To</u> |
|--|---------------------|---------------|
| General Fund | \$198,952 | |
| Title I Fund | | \$87,569 |
| Gear Up Grant Fund | | 4,172 |
| Title I Migrant Fund | | 19,908 |
| Title VI-B Fund | | 36,472 |
| Preschool Fund | | 1,298 |
| Small Rural Grant Fund | | 2,986 |
| C Perkins Vocational Education Fund | | 11,165 |
| Title III LEP Fund | | 3,776 |
| Title II Teacher Quality Fund | | 24,998 |
| Medicaid Fund | | 6,608 |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2015

8. **DEFICIT FUND BALANCE**

For most of these Federal and State programs the District spends its own money and then requests reimbursement from the various funding agencies. For those funds with deficits, reimbursement has not yet been received.

9. **EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

State Vocational Fund exceeded budget by \$451.
Small Rural Grant Fund exceeded budget by \$3,059.
Title III LEP Fund exceeded budget by \$394.
Medicaid Fund exceeded budget by \$9,988.
Bus Depreciation Fund exceeded budget by \$34,313
Lottery Fund exceeded budget by \$16,750

10. **RISK MANAGEMENT**

The District is exposed to various risks of loss, related to torts; theft of, damage to, or destruction of assets; errors and omissions; employee health and injuries, and natural disasters. All risks are insured by commercial insurance.

11. **CONTINGENT LIABILITIES**

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

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2015

12. **CREDIT RISK, CONCENTRATION OF CREDIT RISK,
AND INTEREST RATE RISK**

As of June 30, 2015 the District's investments were as follows. All of the districts investments are in an internal investment pool.

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

Credit Risk. Statutes authorize the District to invest in obligations of the United States, obligations of the State or any taxing district in the State, obligations issued from the Farm Credit System, obligations of public corporations of the State of Idaho, repurchase agreements, tax anticipation notes of the State or any taxing district in the State, time deposits, saving deposits, revenue bonds of institutions of higher education, and the State Treasurer's Pool. The District does not have an investment policy that would further limit its investment choices.

Concentration Credit Risk. The District does not place a limit on the amount that the District may invest in any one issuer. Most of the District's investments are in Local Government Investment Pool which by its nature is a diversified account. As of June 30, 2015 the fund consisted of U.S. Treasury Notes, Government Agency Notes, Idaho Bank Deposits, Repurchase Agreements, Corporate Bonds and Commercial Paper with 30% in Government Agency Notes and 7% in Idaho Bank Deposit. Average weighted days to maturity is 85.

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SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

COMBINING BALANCE SHEET
 NON MAJOR FUNDS

AT JUNE 30, 2015

| | Gear Up Grant Fund | HS/MS/ Elem Local Grants Fund | Driver Education Fund | State Professional Technical Fund |
|---------------------------------------|--------------------------|--|-----------------------------|--|
| ASSETS: | | | | |
| Cash | \$10,213 | \$1,108 | \$5,698 | \$1,415 |
| Federal and State receivable | | | 4,438 | 1686 |
| Other receivables | | | | |
| | | | | |
| Total assets | \$10,213 | \$1,108 | \$10,136 | \$3,101 |
| LIABILITIES: | | | | |
| Accounts payable | \$470 | | | \$602 |
| Salaries payable | 2,334 | | | 1,342 |
| Due to other funds | 4,172 | | | |
| | | | | |
| Total liabilities | 6,976 | \$0 | \$0 | 1,944 |
| DEFERRED RESOURCES: | | | | |
| Unavailable property taxes | 0 | 0 | 0 | 0 |
| | | | | |
| FUND BALANCE: | | | | |
| Committed | 3,237 | 1,108 | 10,136 | 1,157 |
| | | | | |
| Total liabilities and fund balance | \$10,213 | \$1,108 | \$10,136 | \$3,101 |

| State Technology Fund | State Substance Abuse Fund | Title I Migrant Fund | Title Title V1B Fund | Preschool Fund | Small Rural Grant Fund |
|-----------------------------|-------------------------------------|----------------------------|----------------------------|-------------------|---------------------------------|
| \$21,517 | \$3,093 | \$53,910 | \$74,493 | \$2,427 | \$5,496 |
| \$21,517 | \$3,093 | \$53,910 | \$74,493 | \$2,427 | \$5,496 |
| | | \$6,201 | \$5,536 | \$125 | \$522 |
| | | 20,199 | 16,392 | 633 | 1,263 |
| | | 19,908 | 36,472 | 1,298 | 2,986 |
| \$0 | \$0 | 46,308 | 58,400 | 2,056 | 4,771 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 21,517 | 3,093 | 7,602 | 16,093 | 371 | 725 |
| \$21,517 | \$3,093 | \$53,910 | \$74,493 | \$2,427 | \$5,496 |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

COMBINING BALANCE SHEET
NON MAJOR FUNDS - (CONTINUED)

AT JUNE 30, 2015

| | C. Perkins Vocational Education Fund | Title III LEP Fund | Title II Teacher Quality Fund | Medicaid Fund |
|---------------------------------------|---|--------------------------|--|------------------|
| ASSETS: | | | | |
| Cash | | | | |
| Other receivables | \$13,472 | \$6,167 | \$36,088 | \$9,891 |
| Federal and State receivable | | | | |
| Total assets | <u>\$13,472</u> | <u>\$6,167</u> | <u>\$36,088</u> | <u>\$9,891</u> |
| LIABILITIES: | | | | |
| Accounts payable | \$1,478 | \$1,341 | \$545 | \$1,435 |
| Salaries payable | | 1,050 | 1,666 | 1,848 |
| Due to other funds | 11,165 | 3,776 | 24,998 | 6,608 |
| Total liabilities | <u>12,643</u> | <u>6,167</u> | <u>27,209</u> | <u>9,891</u> |
| DEFERRED RESOURCES: | | | | |
| Unavailable property taxes | | | | |
| FUND BALANCE: | | | | |
| Committed | <u>829</u> | <u>0</u> | <u>8,879</u> | <u>0</u> |
| Total liabilities and fund balance | <u>\$13,472</u> | <u>\$6,167</u> | <u>\$36,088</u> | <u>\$9,891</u> |

| School Lunch Fund | Bus Depreciation Fund | Lottery Fund | Plant Facilities Fund | 2015 Totals |
|-------------------------|-----------------------------|-----------------|-----------------------------|------------------|
| \$128,057 | \$119,038 | \$29,288 | \$130,685 | \$450,112 |
| 10,372 | | | 97,070 | 315,510 |
| | | | | 0 |
| <u>\$138,429</u> | <u>\$119,038</u> | <u>\$29,288</u> | <u>\$227,755</u> | <u>\$765,622</u> |
| | | | | |
| \$8,997 | | | \$3,816 | \$31,068 |
| 14,693 | | | | 61,420 |
| | | | | 111,383 |
| <u>23,690</u> | <u>\$0</u> | <u>\$0</u> | <u>3,816</u> | <u>203,871</u> |
| | | | | |
| | | | 11,943 | 11,943 |
| <u>114,739</u> | <u>119,038</u> | <u>29,288</u> | <u>211,996</u> | <u>549,808</u> |
| | | | | |
| <u>\$138,429</u> | <u>\$119,038</u> | <u>\$29,288</u> | <u>\$227,755</u> | <u>\$765,622</u> |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON MAJOR FUNDS

YEAR ENDED JUNE 30, 2015

| | <u>Gear Up Grant Fund</u> | <u>HS/MS Elem Local Grants Fund</u> | <u>Driver Education Fund</u> | <u>State Professional Technical Fund</u> |
|---------------------------------|-----------------------------------|---|--------------------------------------|--|
| REVENUES: | | | | |
| Local income | | | \$6,766 | |
| Federal and State assistance | \$28,160 | | 6,189 | \$24,429 |
| Total revenues | <u>28,160</u> | <u>\$0</u> | <u>12,955</u> | <u>24,429</u> |
| EXPENDITURES: | | | | |
| Instructional services | 22,093 | 648 | 9,777 | |
| Support services | 5,619 | | | 24,429 |
| Non-instructional services | | | | |
| Capital outlay | | | | |
| Total expenditures | <u>27,712</u> | <u>648</u> | <u>9,777</u> | <u>24,429</u> |
| EXCESS REVENUES (EXPENDITURES) | 448 | (648) | 3,178 | 0 |
| TRANSFERS (TO) FROM OTHER FUNDS | <u>0</u> | | | |
| EXCESS FINANCING SOURCES (USES) | 448 | (648) | 3,178 | 0 |
| FUND BALANCE - JUNE 30, 2014 | <u>2,789</u> | <u>1,756</u> | <u>6,958</u> | <u>1,157</u> |
| FUND BALANCE - JUNE 30, 2015 | <u><u>\$3,237</u></u> | <u><u>\$1,108</u></u> | <u><u>\$10,136</u></u> | <u><u>\$1,157</u></u> |

| State Technology Fund | State Substance Abuse Fund | Title I Migrant Fund | Title VI B Fund | Preschool Fund | Small Rural Grant Fund |
|-----------------------------|-------------------------------------|----------------------------|--------------------|-------------------|---------------------------------|
| \$36,463 | \$6,781 | \$93,878 | \$161,008 | \$5,800 | \$14,710 |
| <u>36,463</u> | <u>6,781</u> | <u>93,878</u> | <u>161,008</u> | <u>5,800</u> | <u>14,710</u> |
| 41,443 | 3,688 | 50,674 42,638 | 75,422 65,275 | 5,272 | 13,686 |
| <u>41,443</u> | <u>3,688</u> | <u>93,312</u> | <u>140,697</u> | <u>5,272</u> | <u>13,686</u> |
| (4,980) | 3,093 | 566 | 20,311 | 528 | 1,024 |
| | | (1,841) | (4,218) | (157) | (299) |
| <u>(4,980)</u> | <u>3,093</u> | <u>(1,275)</u> | <u>16,093</u> | <u>371</u> | <u>725</u> |
| 26,497 | 0 | 8,877 | 0 | 0 | 0 |
| <u>21,517</u> | <u>3,093</u> | <u>7,602</u> | <u>16,093</u> | <u>371</u> | <u>725</u> |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON MAJOR FUNDS - (CONTINUED)

YEAR ENDED JUNE 30, 2015

| | C. Perkins Vocational Education Fund | Title III LEP Fund | Title II Teacher Quality Fund |
|---------------------------------|---|--------------------------|--|
| | <u>Fund</u> | <u>Fund</u> | <u>Fund</u> |
| REVENUES: | | | |
| Local income | | | |
| Federal and State assistance | \$13,472 | \$20,075 | \$55,622 |
| Total revenues | <u>13,472</u> | <u>20,075</u> | <u>55,622</u> |
| EXPENDITURES: | | | |
| Instructional services | 13,472 | 20,155 | |
| Support services | | | 56,233 |
| Non-instructional services | | | |
| Capital outlay | | | |
| Total expenditures | <u>13,472</u> | <u>20,155</u> | <u>56,233</u> |
| EXCESS REVENUES (EXPENDITURES) | 0 | (80) | (611) |
| TRANSFERS (TO) FROM OTHER FUNDS | | | <u>(1,352)</u> |
| EXCESS FINANCING SOURCES (USES) | 0 | (80) | (1,963) |
| FUND BALANCE - JUNE 30, 2014 | <u>829</u> | <u>80</u> | <u>10,842</u> |
| FUND BALANCE - JUNE 30, 2015 | <u><u>\$829</u></u> | <u><u>\$0</u></u> | <u><u>\$8,879</u></u> |

| Medicaid Fund | School Lunch Fund | Bus Depreciation Fund | Lottery Fund | Plant Facilities Fund | 2015 Totals |
|------------------|-------------------------|-----------------------------|-----------------|-----------------------------|------------------|
| | \$30,068 | \$17,791 | | \$273,921 | \$328,546 |
| \$30,428 | 279,306 | | \$32,724 | | 809,045 |
| <u>30,428</u> | <u>309,374</u> | <u>17,791</u> | <u>32,724</u> | <u>273,921</u> | <u>1,137,591</u> |
| 19,590 | | | | | 230,789 |
| 10,838 | | | | | 250,163 |
| | 335,510 | | | | 335,510 |
| | | 88,013 | 21,750 | 190,882 | 300,645 |
| <u>30,428</u> | <u>335,510</u> | <u>88,013</u> | <u>21,750</u> | <u>190,882</u> | <u>1,117,107</u> |
| 0 | (26,136) | (70,222) | 10,974 | 83,039 | 20,484 |
| | 7,846 | 67,923 | | | 67,902 |
| 0 | (18,290) | (2,299) | 10,974 | 83,039 | 88,386 |
| 0 | 133,029 | 121,337 | 18,314 | 128,957 | 461,422 |
| <u>\$0</u> | <u>\$114,739</u> | <u>\$119,038</u> | <u>\$29,288</u> | <u>\$211,996</u> | <u>\$549,808</u> |

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

SCHEDULE OF NON MAJOR FUND REVENUE - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2015

| | Estimated Revenues | Actual Revenues | Variance Favorable (Unfavorable) |
|---|-----------------------|--------------------|--|
| GEAR UP GRANT FUND: | | | |
| Federal assistance | \$44,780 | \$28,160 | (\$16,620) |
| DRIVER EDUCATION FUND: | | | |
| Local revenue | \$6,512 | \$6,766 | \$254 |
| State assistance | 6,500 | 6,189 | (311) |
| | <u>\$13,012</u> | <u>\$12,955</u> | <u>(\$57)</u> |
| STATE PROFESSIONAL TECHNICAL FUND: | | | |
| State assistance | \$23,978 | \$24,429 | \$451 |
| STATE TECHNOLOGY FUND: | | | |
| State assistance | \$35,985 | \$36,463 | \$478 |
| STATE SUBSTANCE ABUSE FUND: | | | |
| Local revenue | \$6,781 | \$6,781 | \$0 |
| TITLE I MIGRANT FUND: | | | |
| Federal assistance | \$93,878 | \$93,878 | \$0 |
| TITLE VI-B FUND: | | | |
| Federal assistance | \$160,968 | \$161,008 | \$40 |
| PRESCHOOL FUND: | | | |
| Federal assistance | \$5,800 | \$5,800 | \$0 |
| SMALL RURAL GRANT FUND: | | | |
| Federal assistance | \$14,710 | \$14,710 | \$0 |

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

SCHEDULE OF NON MAJOR FUND REVENUE - BUDGET AND ACTUAL - (CONTINUED)
 YEAR ENDED JUNE 30, 2015

| | Estimated Revenues | Actual Revenues | Variance Favorable (Unfavorable) |
|--|-----------------------|--------------------|--|
| C. PERKINS VOCATIONAL EDUCATION FUND: | | | |
| Federal assistance | \$13,472 | \$13,472 | \$0 |
| TITLE III LEP FUND: | | | |
| Federal assistance | \$20,075 | \$20,075 | \$0 |
| TITLE II TEACHER QUALITY FUND: | | | |
| Federal assistance | \$55,622 | \$55,622 | \$0 |
| MEDICAID FUND: | | | |
| State assistance | \$21,000 | \$30,428 | \$9,428 |
| SCHOOL LUNCH FUND: | | | |
| Other local | \$24,407 | \$30,068 | \$5,661 |
| Federal assistance | 250,000 | 279,306 | 29,306 |
| | <u>\$274,407</u> | <u>\$309,374</u> | <u>\$34,967</u> |
| BUS DEPRECIATION FUND: | | | |
| Other local | \$11,000 | \$17,791 | \$6,791 |
| LOTTERY FUND: | | | |
| State assistance | \$0 | \$21,750 | \$21,750 |
| PLANT FACILITIES FUND: | | | |
| Property taxes | \$269,500 | \$273,921 | \$4,421 |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF NON MAJOR EXPENDITURES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015

| | <u>Appropriated</u> | <u>Expended</u> | Variance Favorable (Unfavorable) |
|------------------------------------|---------------------|-----------------|--|
| GEAR UP GRANT FUND: | | | |
| Instruction: | | | |
| Salaries | \$20,957 | \$15,760 | \$5,197 |
| Benefits | 4,170 | 3,275 | 895 |
| Materials and supplies | 6,328 | 1,228 | 5,100 |
| Insurance | 3,725 | 1,830 | 1,895 |
| Support Services: | | | |
| Purchased services | 7,450 | 4,762 | 2,688 |
| Materials and supplies | 2,150 | 857 | 1,293 |
| | <u>\$44,780</u> | <u>\$27,712</u> | <u>\$17,068</u> |
| HS/MS/ELEM LOCAL GRANT: | | | |
| Instruction: | | | |
| Materials and supplies | <u>\$762</u> | <u>\$648</u> | <u>\$0</u> |
| DRIVER EDUCATION FUND: | | | |
| Instruction: | | | |
| Salaries | \$7,790 | \$7,816 | (\$26) |
| Benefits | 703 | 689 | 14 |
| Materials and supplies | 4,295 | 1,048 | 3,247 |
| Insurance | 224 | 224 | 0 |
| | <u>\$13,012</u> | <u>\$9,777</u> | <u>\$3,235</u> |
| STATE VOCATIONAL FUND: | | | |
| Instruction: | | | |
| Salaries | \$8,118 | \$8,050 | \$68 |
| Benefits | 1,642 | 1,670 | (28) |
| Purchased services | 4,980 | 1,448 | 3,532 |
| Materials and supplies | 9,238 | 13,261 | (4,023) |
| | <u>\$23,978</u> | <u>\$24,429</u> | <u>(\$451)</u> |
| STATE TECHNOLOGY FUND: | | | |
| Support Services: | | | |
| Salaries | \$11,253 | \$11,260 | (\$7) |
| Benefits | 3,879 | 3,889 | (10) |
| Purchased services | \$12,057 | 7,320 | 4,737 |
| Materials and supplies | 17,000 | 18,974 | (1,974) |
| | <u>\$44,189</u> | <u>\$41,443</u> | <u>\$2,746</u> |
| STATE SUBSTANCE ABUSE FUND: | | | |
| Instruction: | | | |
| Purchased services | \$3,200 | \$1,843 | \$1,357 |
| Materials and supplies | 3,581 | 1,845 | 1,736 |
| | <u>\$6,781</u> | <u>\$3,688</u> | <u>\$3,093</u> |
| TITLE I MIGRANT FUND: | | | |
| Instruction: | | | |
| Salaries | \$25,472 | \$33,846 | (\$8,374) |
| Benefits | 11,005 | 14,496 | (3,491) |
| Purchased services | 8,359 | 1,413 | 6,946 |
| Materials and supplies | 10,974 | 919 | 10,055 |
| Support Services: | | | |
| Salaries | 27,543 | 27,712 | (169) |
| Benefits | 15,049 | 13,996 | 1,053 |
| Purchased services | 1,500 | 601 | 899 |
| Materials and supplies | 1,012 | 329 | 683 |
| | <u>\$100,914</u> | <u>\$93,312</u> | <u>\$7,602</u> |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF NON MAJOR EXPENDITURES - BUDGET AND ACTUAL - (CONTINUED)
YEAR ENDED JUNE 30, 2015

| TITLE VI-B FUND: | <u>Appropriated</u> | <u>Expended</u> | Variance Favorable (Unfavorable) |
|---|---------------------|------------------|--|
| Instruction: | | | |
| Salaries | \$57,761 | \$57,128 | \$633 |
| Benefits | 18,137 | 17,829 | 308 |
| Purchased services | 5,058 | 461 | 4,597 |
| Materials and supplies | 4111 | 4 | 4,107 |
| Support Services: | | | |
| Salaries | 40,905 | 40,970 | (65) |
| Benefits | 20,904 | 20,755 | 149 |
| Purchased services | 6,897 | 513 | 6,384 |
| Materials and supplies | 2,977 | 3,037 | (60) |
| | <u>\$156,750</u> | <u>\$140,697</u> | <u>\$16,053</u> |
| PRESCHOOL FUND: | | | |
| Instruction: | | | |
| Salaries | \$3,798 | \$3,772 | \$26 |
| Benefits | 804 | 772 | 32 |
| Purchased services | 500 | 199 | 301 |
| Materials and supplies | 541 | 529 | 12 |
| | <u>\$5,643</u> | <u>\$5,272</u> | <u>\$371</u> |
| SMALL RURAL GRANT FUND: | | | |
| Instruction: | | | |
| Salaries | \$7,425 | \$7,513 | (\$88) |
| Benefits | 3,202 | 3,233 | (31) |
| Purchased services | | 2,940 | (2,940) |
| Materials and supplies | 3,783 | | |
| | <u>\$14,410</u> | <u>\$13,686</u> | <u>(\$3,059)</u> |
| C. PERKINS VOCATIONAL EDUCATION FUND: | | | |
| Instruction: | | | |
| Salaries | \$501 | \$501 | \$0 |
| Benefits | 101 | 101 | 0 |
| Purchased services | 3,500 | 2,864 | 636 |
| Materials and supplies | 9,370 | 10,006 | (636) |
| | <u>\$13,472</u> | <u>\$13,472</u> | <u>\$0</u> |
| TITLE III LEP FUND: | | | |
| Support Services: | | | |
| Salaries | \$6,299 | \$10,359 | (\$4,060) |
| Benefits | 4,093 | 6,353 | (2,260) |
| Purchased services | 2,750 | 1,500 | 1,250 |
| Materials and supplies | 6,619 | 1,943 | 4,676 |
| | <u>\$19,761</u> | <u>\$20,155</u> | <u>(\$394)</u> |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF NON MAJOR EXPENDITURES - BUDGET AND ACTUAL - (CONTINUED)
YEAR ENDED JUNE 30, 2015

| | <u>Appropriated</u> | <u>Expended</u> | Variance Favorable (Unfavorable) |
|---------------------------------------|---------------------|------------------|--|
| TITLE II TEACHER QUALITY FUND: | | | |
| Instruction: | | | |
| Salaries | \$31,178 | \$31,086 | \$92 |
| Benefits | 8,279 | 7,655 | 624 |
| Purchased services | 21,859 | 11,583 | 10,276 |
| Materials and supplies | 3,795 | 5,909 | (2,114) |
| | <u>\$65,111</u> | <u>\$56,233</u> | <u>\$8,878</u> |
| MEDICAID FUND: | | | |
| Instruction: | | | |
| Salaries | \$11,086 | \$11,086 | \$0 |
| Benefits | 9,062 | 8,504 | 558 |
| Support Services: | | | |
| Salaries | | 6,765 | (6,765) |
| Benefits | | 4,073 | (4,073) |
| Purchased services | 292 | | 292 |
| | <u>\$20,440</u> | <u>\$30,428</u> | <u>(\$9,988)</u> |
| SCHOOL LUNCH FUND: | | | |
| Non-Instruction: | | | |
| Salaries | \$94,308 | \$95,277 | (\$969) |
| Benefits | 51,913 | 52,043 | (130) |
| Purchased services | 5,025 | 680 | 4,345 |
| Materials and supplies | 182,700 | 178,942 | 3,758 |
| Capital outlay | 18,800 | 8,568 | 10,232 |
| | <u>\$352,746</u> | <u>\$335,510</u> | <u>\$17,236</u> |
| BUS DEPRECIATION FUND: | | | |
| Capital outlay | <u>\$53,700</u> | <u>\$88,013</u> | <u>(\$34,313)</u> |
| LOTTERY FUND: | | | |
| Capital outlay | <u>\$5,000</u> | <u>\$21,750</u> | <u>(\$16,750)</u> |
| PLANT FACILITIES FUND: | | | |
| Support Services: | | | |
| Salaries | \$53,011 | \$53,011 | \$0 |
| Benefits | 17,251 | 17,199 | 52 |
| Purchased services | 58,000 | 83,944 | (25,944) |
| Materials and supplies | 140,956 | 29,684 | 111,272 |
| Capital outlay | 7,044 | 7,044 | 0 |
| | <u>\$276,262</u> | <u>\$190,882</u> | <u>\$85,380</u> |

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SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF HIGH SCHOOL STUDENT BODY FUNDS

YEAR ENDED JUNE 30, 2015

| FUND: | Balance 6/30/14 | Receipts | Disbursements | Transfers | Balance 6/30/15 |
|-------------------------|--------------------|----------|---------------|-----------|--------------------|
| Academic Decathlon | (\$1,391) | | | | (\$1,391) |
| College Prep | 300 | | | | 300 |
| BPA | 1,020 | \$181 | (\$380) | \$20 | 841 |
| IDLA | (317) | 5,885 | (5,875) | 617 | 310 |
| Duel credit -Social | 431 | 540 | (190) | | 781 |
| Krehbiel | 0 | 100 | | | 100 |
| FFA - Booth | 435 | 13,752 | (10,996) | (236) | 2,955 |
| Office Teacher | 0 | 1,189 | (1,087) | 100 | 202 |
| FFA | (336) | 7,396 | (6,981) | 216 | 295 |
| Duel credit -English | 350 | 350 | | | 700 |
| AG | (162) | 1,335 | (625) | | 548 |
| FCCLA | 100 | | | | 100 |
| Scholarships | 591 | 394 | (525) | | 460 |
| National Honor Society | 137 | 390 | (230) | | 297 |
| Ind Alt HS | 55 | 75 | (75) | | 55 |
| Ski Club | 81 | | | (81) | 0 |
| Student Body | 267 | 1,372 | (1,624) | (35) | (20) |
| Tiger Club | 44 | | (27) | | 17 |
| Class of 2012 | 40 | | | (40) | 0 |
| Class of 2013 | 703 | | | (703) | 0 |
| Class of 2014 | 1,578 | | (1,503) | (75) | 0 |
| Class of 2015 | 1,014 | 2,261 | (1,142) | 39 | 2,172 |
| Class of 2016 | 676 | 951 | (613) | 39 | 1,053 |
| Class of 2017 | 202 | 309 | (44) | 39 | 506 |
| Class of 2018 | 0 | 230 | | 38 | 268 |
| Track resurfacing | 50,198 | 28,124 | (75,680) | | 2,642 |
| Pop Machine | 1,758 | 715 | (2,252) | (117) | 104 |
| Music Supplies | (18) | 72 | | | 54 |
| Band Rental & Repair | (38) | 1,025 | (775) | 50 | 262 |
| Pep Band | 518 | 16,791 | (15,462) | 35 | 1,882 |
| Jazz Band | 475 | | | | 475 |
| Musical | (2,231) | 4,554 | (965) | | 1,358 |
| First Aid A | 719 | | (82) | | 637 |
| First Aid B | 5,414 | 1,268 | (3,111) | | 3,571 |
| Weight Room | 0 | 370 | (348) | | 22 |
| Athletics | 625 | 36,140 | (29,105) | 4,157 | 11,817 |
| Athletic Equip - direct | 500 | | | | 500 |
| Plato | 1,206 | 1,487 | (2,295) | | 398 |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF HIGH SCHOOL STUDENT BODY FUNDS - (CONTINUED)

YEAR ENDED JUNE 30, 2015

| FUND: | Balance 6/30/14 | Receipts | Disbursements | Transfers | Balance 6/30/15 |
|----------------------|--------------------|------------------|--------------------|------------|--------------------|
| Extra/Trans | \$17,113 | \$7,769 | (\$3,724) | (\$4,013) | \$17,145 |
| District Tournaments | (127) | 2,025 | | 127 | 2,025 |
| ACT | 60 | | | | 60 |
| Annual | 10,343 | 4,462 | (7,454) | (2) | 7,349 |
| Chemistry | 654 | 80 | (461) | | 273 |
| Art | 136 | 2,030 | (2,192) | | (26) |
| Art Equipment | 183 | | | | 183 |
| Computer Lab | 2,191 | 1,371 | (360) | 48 | 3,250 |
| Accounting class | 48 | | | (48) | 0 |
| Counselor | 133 | 100 | (196) | | 37 |
| Drivers Ed | 3,256 | 7,273 | (6,701) | | 3,828 |
| Faculty Pop | 83 | 429 | (510) | 81 | 83 |
| Gear Up 2 | (221) | 1,537 | (1,981) | 221 | (444) |
| Interest | 3,126 | 11 | (163) | | 2,974 |
| Library | 278 | 254 | (279) | | 253 |
| Math | 20 | | | | 20 |
| Lockers | 81 | | | | 81 |
| Rental | 154 | | | (154) | 0 |
| Sales Tax | 2 | 2,360 | (2,271) | 2 | 93 |
| Telescope | 683 | | | | 683 |
| Textbook Fines | 576 | 3,211 | (2,101) | | 1,686 |
| Teacher Accounts | 272 | 1,300 | (403) | (100) | 1,069 |
| Savings | 5,457 | | | | 5,457 |
| Football | 519 | 2,366 | (2,025) | | 860 |
| Volleyball | 48 | 1,475 | (2,141) | | (618) |
| Soccer | 853 | 2,271 | (2,412) | | 712 |
| Girls Basketball | (3) | 3,096 | (3,836) | | (743) |
| Boys Basketball | 525 | 3,526 | (3,170) | | 881 |
| Wrestling | 1,292 | 7,879 | (8,932) | | 239 |
| Golf | 216 | 60 | | | 276 |
| Track | 312 | 378 | (354) | | 336 |
| Cheerleading | 425 | 4,706 | (4,273) | (225) | 633 |
| | <u>\$113,632</u> | <u>\$187,225</u> | <u>(\$217,931)</u> | <u>\$0</u> | <u>\$82,926</u> |
| Checking | | | | | \$21,638 |
| Savings | | | | | 6,002 |
| Investments | | | | | 55,286 |
| | | | | | <u>\$82,926</u> |

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE MIDDLE SCHOOL STUDENT BODY FUNDS

YEAR ENDED JUNE 30, 2015

| FUND: | Balance 6/30/14 | Receipts | Disbursements | Transfers | Balance 6/30/15 |
|-------------------------|--------------------|-----------------|-------------------|------------|--------------------|
| Annual | \$911 | \$1,605 | (\$2,041) | | \$475 |
| Accelerated reader | 2,826 | 3,003 | (1,865) | | 3,964 |
| Art | 555 | 389 | (186) | | 758 |
| Athletics - Gen | 381 | 10 | (265) | | 126 |
| Athletics - VB | 1,541 | 1,028 | (775) | | 1,794 |
| Athletics - W | 538 | 753 | (258) | (\$40) | 993 |
| Athletics - GBB | 2,737 | 1,562 | (964) | | 3,335 |
| Athletics -BBB | 6,519 | 2,230 | (1,567) | 40 | 7,222 |
| Athletics - CC | 297 | | | | 297 |
| Athletics - Track | 2,659 | 550 | (20) | | 3,189 |
| CD certificate | 0 | | | 11,865 | 11,865 |
| Cheer/Drill | 1,049 | 192 | (383) | | 858 |
| Custodial | 268 | | (65) | | 203 |
| Computers | 3,046 | 855 | (1,245) | | 2,656 |
| Cool to be kind | 292 | 5 | (109) | | 188 |
| Credit recovery | 125 | | | | 125 |
| Exploratory | (25) | 770 | (697) | | 48 |
| Fundraiser | 1,030 | 2,669 | (2,500) | | 1,199 |
| Health/PE | 521 | 1,378 | (2,835) | | (936) |
| Health fair | 56 | | | | 56 |
| General | 22,750 | 3,813 | (2,843) | (\$12,265) | 11,455 |
| Grade 6 | 378 | 575 | (570) | | 383 |
| Grade 7 | 845 | 644 | (659) | | 830 |
| Grade 8 | 379 | 520 | (463) | | 436 |
| Grants | 198 | | | | 198 |
| Locks | 10 | 10 | | | 20 |
| Media Center | 2,455 | 757 | (722) | | 2,490 |
| Migrant | 5 | | | | 5 |
| Milk machine/health | 19 | | | | 19 |
| Multi media | 201 | 156 | | | 357 |
| Music - Millett | 926 | 2,288 | (2,283) | 400 | 1,331 |
| Postage | 119 | | | | 119 |
| Special Services | 84 | | | | 84 |
| Student Govt | 1,267 | 1,803 | (1,992) | | 1,078 |
| Ski-skate | 3,779 | 5,562 | (3,548) | | 5,793 |
| Stem | 250 | | | | 250 |
| Sunshine | 49 | 265 | | | 314 |
| Teachers | 3,068 | 1,433 | (408) | | 4,093 |
| PTSA | 2,111 | | (314) | | 1,797 |
| Vending | 2,656 | 4,264 | (4,200) | | 2,720 |
| Yellowstone | 913 | | (228) | | 685 |
| | <u>\$67,788</u> | <u>\$39,089</u> | <u>(\$34,005)</u> | <u>\$0</u> | <u>\$72,872</u> |
| Cash in bank - checking | | | | | \$61,003 |
| Cash in bank - Savings | | | | | 11,869 |
| | | | | | <u>\$72,872</u> |

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

SCHEDULE OF ELEMENTARY STUDENT BODY FUNDS

YEAR ENDED JUNE 30, 2015

| | Balance 6/30/14 | Receipts | Disbursements | Transfers | Balance 6/30/15 |
|-------------------------|--------------------|----------|---------------|-----------|--------------------|
| FUND: | | | | | |
| General | \$32,113 | \$5,787 | (\$4,603) | | \$33,297 |
| Vending | 11,192 | 5,134 | (4,611) | | 11,715 |
| Teachers | 1,512 | 779 | (587) | | 1,704 |
| Library | 254 | 66 | (265) | | 55 |
| | \$45,071 | \$11,766 | (\$10,066) | \$0 | \$46,771 |
| Cash in bank - checking | | | | | \$46,771 |



Jones, Yost, Hatt,
Erickson P.A.

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STACY L. ERICKSON, CPA

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Board of Trustees,
School District No. 58
Aberdeen, Idaho

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

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 School District No 58, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise District's basic financial statements, and have issued our report thereon dated September 11, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Pocatello, Idaho
September 11, 2015

Jones, Gost, Hatt, Erickson P.A.



Jones, Yost, Hatt,
Erickson P.A.

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Board of Trustees,
School District No. 58
Aberdeen, Idaho

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133

Report on Compliance for Each Major Federal Program

We have audited School District No. 58's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of District's major federal programs for the year ended June 30, 2015. 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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, School District No. 58, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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

Pocatello, Idaho
September 11, 2015

Jones, Gost, Hatt, Erickson P. A.

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2015

| Title | Catalogue of Federal Domestic Assistance Number | Expenditures |
|--|--|-------------------------|
| <u>Department of Education (State Dept. of Education Pass Thru Funding):</u> | | |
| Title I - Remedial) | 84.010 | \$270,517 |
| Title I Migrant | 84.011 | 95,153 |
| Title VI-B | 84.027 | 144,915 |
| Vocational Education (Perkins) | 84.048 | 13,472 |
| Title VI-B Preschool | 84.173 | 5,429 |
| Gear Up | 84.334 | 27,712 |
| Rural Education | 84.358 | 13,985 |
| Title III LEP | 84.365 | 20,155 |
| Improving Teacher Quality | 84.367 | 57,585 |
| | | <u>648,923</u> |
| <u>Department of Agriculture (State Dept. of Education Pass Thru Funding):</u> | | |
| School Breakfast Program | 10.553 | 52,307 |
| School Lunch Program | 10.555 | 230,076 |
| Summer Food Service Program For Children | 10.559 | 10,057 |
| Fruit and Vegetables | 10.582 | 20,717 |
| | | <u>313,157</u> |
| Total | | <u><u>\$962,080</u></u> |

Note 1 Basis of Presentation

The above schedule of expenditures of Federal awards includes the federal grant activity of School District # 58 and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of State and Local Governments and Non-Profit Organizations."

Audits of States, Local Governments, and Non-Profit Organizations.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SUMMARY OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2015

FINANCIAL STATEMENTS

The auditor's report is unqualified.

Internal control over financial reporting:

There are no material weaknesses identified.

There are no reportable conditions identified that are not considered to be a material weakness.

There are no instances of noncompliance material to financial statements identified.

FEDERAL AWARDS

There are no material weaknesses identified.

There are no reportable conditions identified that are not considered to be material weaknesses.

The auditor's report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133 is unqualified.

There are no audit findings required to be reported in accordance with section 510(a) of Circular A-133.

IDENTIFICATION OF MAJOR PROGRAMS

The programs tested as major programs include:

| | | | | |
|---------------------------|--------|--------|--------|--------|
| Department of Agriculture | 10.553 | 10.555 | 10.559 | 10.582 |
|---------------------------|--------|--------|--------|--------|

The threshold for distinguishing Types A and B programs was \$300,000.

Aberdeen School District No. 58 qualifies as a low-risk auditee.